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Detailed Information

Permitting Authority: U.S. EPA

County: RIVERSIDE AFS Plant ID: 06-065-

Facility: COLMAC ENERGY, INC.

*Document Type: 8/2/00 Final Permit

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105**

TITLE V PERMIT TO OPERATE

Permit No. CB-OP 99-01

In accordance with the provisions of Title V of the Clean Air Act and 40 C.F.R. Part 71 and applicable rules and regulations,

Colmac Energy, Inc.
Mecca Plant

is authorized to operate air emission units and to conduct other air pollutant emitting activities in accordance with the permit conditions listed in this permit. Terms and conditions not otherwise defined in this permit have the meaning assigned to them in the referenced regulations. All terms and conditions of the permit are enforceable by EPA and citizens under the Clean Air Act.

If all proposed control measures and/or equipment are not installed and properly operated and maintained, this will be considered a violation of the permit.

This permit is valid for a period of five (5) years and shall expire at midnight on the date 5 years after the date of issuance unless a timely and complete renewal application has been submitted at least 6 months but not more than 18 months prior to the date of expiration. The permit number cited above should be referenced in future correspondence regarding this facility.

Date

Felicia Marcus
Regional Administrator
EPA Region IX

Abbreviations and Acronyms

AFS	AIRS Facility Subsystem
AIRS	Aerometric Information Retrieval System
AR	Acid Rain
ARP	Acid Rain Program
CAA	Clean Air Act [42 U.S.C. Section 7401 et seq.]
CAM	Compliance Assurance Monitoring
CFR	Code of Federal Regulations
EIP	Economic Incentives Program
gal	gallon
HAP	Hazardous Air Pollutant
hr	hour
Id. No.	Identification Number
J	joule
kg	kilogram
lb	pound
MACT	Maximum Achievable Control Technology
MVAC	Motor Vehicle Air Conditioner
Mg	megagram
MMBtu	million British Thermal Units
mo	month
NESHAP	National Emission Standards for Hazardous Air Pollutants
NO _x	Nitrogen Oxides
NSPS	New Source Performance Standards
NSR	New Source Review
PM	Particulate Matter
PM-10	Particulate matter less than 10 microns in diameter
ppm	parts per million
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
psia	pounds per square inch absolute
RMP	Risk Management Plan
SNAP	Significant New Alternatives Program
SO ₂	Sulfur Dioxide
TSP	Total Suspended Particulate
US EPA	United States Environmental Protection Agency
VOC	Volatile Organic Compounds

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Attachment A

May 10, 1989 “Monitoring and Enforcement Agreement”

I. Source Identification

I.A General Information

Parent Company name: Colmac Energy, Inc.

Parent Company Mailing Address: P.O. Box 758

City: Mecca State: CA Zip: 92254-0758

Plant Name: Mecca Plant

Plant Location: 62-300 Gene Wellmas Drive

City: Mecca State: CA

County: Riverside

EPA Region: 9

Reservation: Cabazon Reservation

Tribe: Cabazon Band of Mission Indians

Company Contact: Graeme Donaldson

Phone: (760) 396-2554

E-mail: gdonald386@aol.com

Plant Manager/Contact: same

Phone: same

Responsible Official: Graeme Donaldson

Phone: (760) 396-2554

Tribal Contact: Pat Schoonover

Phone: (760) 342-2593

SIC Code: 4911

AFS Plant Identification Number: 06-065-00027

Description of Process: Biomass-fired power plant

EPA

ID #.

1000-0007-5893

1000-0007-5893

I.B Emission-Generating Units and Activities

Emission Unit I.D. No.	Unit Description	Associated Control Equipment	Control Equipment I.D. No
01	Boilers 1 & 2 <ul style="list-style-type: none">• circulating fluidized bed boilers• 300 million Btu/hr each• total electrical output: 47 MW	Thermal de-NOx system	01-C01
02	Biomass grinder engine (800 hp)	Cyclone/baghouse	01-C02
03	Biomass fuel yard	Limestone injection	01-C03
	Fuel hog	Turbocharged/aftercooled	02-C01
	Fuel stacker	Wind screens	03-C01
	Petroleum coke storage	Enclosure, baghouse	
	Ash handling	Enclosure	
	Cooling tower	Enclosure	
	Emergency generator	Enclosure, baghouse	
		Drift controls	

II. Requirements for Specific Units

II.A. Emission Limits

SO₂ Limits

1. On and after the date of startup, the permittee shall not discharge or cause the discharge into the atmosphere SO₂ in excess of the more stringent of 12.0 lbs/hr per boiler or 27 ppm, dry, corrected to 3% O₂ (3-hour average). In addition, the permittee shall not discharge or cause the discharge into the atmosphere SO₂ in excess of a rolling average of 70 tons/year calculated daily. [PSD permit SE 87-01 Condition IX.E]
2. During conditions of startup and shutdown, as defined in Condition II.A.21 of this permit, the plant boilers are exempted from the concentration limit (ppm), but not from the mass limits (lb/hr or tons/year) in Condition II.A.1 of this permit. [PSD permit SE 87-01 Condition IX.M]
3. The permittee shall not cause to be discharged into the atmosphere from the boilers comprising unit 01 when fired on petroleum coke any gases that contain sulfur dioxide in excess of 10 percent (0.10) of the potential sulfur dioxide emission rate (90 percent reduction) and that contain sulfur dioxide in excess of 520 ng/J (or 1.2 lb/MMBtu).

Only the heat input (in J or MMBtu) supplied to the affected facility from the combustion of petroleum coke is counted under this section. No credit is provided for the heat input to the boilers from the combustion of natural gas, wood, municipal-type solid waste, or other fuels or heat input to the boilers from exhaust gases from another source, such as gas turbines, internal combustion engines, kilns, etc. [40 CFR 60.42b(a)]

4. Compliance with the emission limit and/or percent reduction requirement under Condition II.A.3 of this permit must be determined on a 30-day rolling average basis. [40 CFR 60.42b(e)]
5. The sulfur dioxide emission limit and percent reduction requirement under Condition II.A.3 of this permit apply at all times, including periods of startup, shutdown, and malfunction, as defined in Condition II.A.22 of this permit. [40 CFR 60.42b(g), 40 CFR 60.45b(a)]

Particulate Matter Limits

6. On and after the date of startup, the permittee shall not discharge or cause the discharge of TSP in excess of the more stringent of 0.010 gr/dscf at 12% CO₂ or 7.5 lbs/hr per boiler (3-hour average). [PSD permit SE 87-01 Condition IX.F]
7. During conditions of startup and shutdown, as defined in Condition II.A.21 of this permit, the plant boilers are exempted from the concentration limit (ppm), but not from the mass limit (lb/hr) in Condition II.A.6 of this permit. [PSD permit SE 87-01 Condition IX.M]

8. The permittee shall not cause to be discharged into the atmosphere from the boilers comprising unit 01 when fired on petroleum coke (alone or with other fuels) or wood (alone or with other fuels) any gases that contain particulate matter in excess of 43 ng/J (or 0.10 lb/MMBtu) heat input. [40 CFR 60.43b(a) and (c)]
9. The particulate matter standard of Condition II.A.8 of this permit applies at all times, except during periods of startup, shutdown or malfunction, as defined in Condition II.A.22 of this permit. [40 CFR 60.43b(g), 40 CFR 60.46b(a)]

Opacity Limits

10. On and after the date of startup, the permittee shall not discharge or cause the discharge into the atmosphere from the boiler exhaust stack gases which exhibit an opacity of 10 percent or greater for any period or periods aggregating more than three minutes in any one hour. [PSD permit SE 87-01 Condition IX.F]
11. The permittee shall not cause to be discharged into the atmosphere from the boilers comprising unit 01 when fired on petroleum coke any gases that exhibit greater than 20 percent opacity (6-minute average), except for one 6-minute period per hour of not more than 27 percent opacity. [40 CFR 60.43b(f)]
12. The opacity standard of Condition II.A.11 of this permit applies at all times, except during periods of startup, shutdown or malfunction, as defined in Condition II.A.22 of this permit. [40 CFR 60.43b(g), 40 CFR 60.46b(a)]

CO Limits

13. On and after the date of startup, the permittee shall not discharge or cause the discharge into the atmosphere CO in excess of the more stringent of 45.0 lbs/hr per boiler or 231 ppm, dry, corrected to 3% O₂ (3-hour average). [PSD permit SE 87-01 Condition IX.G]
14. During conditions of startup and shutdown, as defined in Condition II.A.21 of this permit, the plant boilers are exempted from the concentration limit (ppm), but not from the mass limit (lb/hr) in Condition II.A.13 of this permit. [PSD permit SE 87-01 Condition IX.M]

NOx Limits

15. On and after the date of startup, the permittee shall not discharge or cause the discharge into the atmosphere NOx in excess of the more stringent of 30.0 lbs/hr per boiler or 94 ppm, dry, corrected to 3% O₂ (3-hour average). In addition, the permittee shall not discharge or cause the discharge of NOx in excess of 648 lbs/day per boiler for any calendar day. [PSD permit SE 87-01 Condition IX.H]
16. During conditions of startup and shutdown, as defined in Condition II.A.21 of this permit, the plant boilers are exempted from the concentration limit (ppm), but not from the mass limit (lb/hr) in Condition II.A.15 of this permit. [PSD permit SE 87-01 Condition IX.M]

17. The permittee shall not cause to be discharged into the atmosphere from the boilers comprising unit 01 any gases that contain NO_x (expressed as NO₂) in excess of the following limits [40 CFR 60.44b(a), (b), (c) and (d)]:

Fuel(s) Used	NO_x Emission Limit
Natural gas only	43 ng/J (or 0.10 lb/MMBtu) heat input
Petroleum coke only	260 ng/J (or 0.60 lb/MMBtu) heat input
Petroleum coke and other fuel(s)	NO _x limit determined by the formula listed below
Wood and natural gas	130 ng/J (0.30 lb/MMBtu) heat input

When petroleum coke is burned along with another fuel or with a combination of fuels, the following formula shall be used to determine the required emission limit [40 CFR 60.44b(b) and 60.44b(c)]:

$$E_n = [(EL_g \times H_g) + (EL_c \times H_c)] / (H_g + H_c)$$

where:

- E_n is the nitrogen oxides emission limit (expressed as NO₂), in units of ng/J or lb/MMBtu
- EL_g is the NO_x emission limit from the above table in this permit condition for combustion of natural gas
- H_g is the heat input from combustion of natural gas
- EL_c is the NO_x emission limit from the above table in this permit condition for combustion of petroleum coke
- H_c is the heat input from combustion of petroleum coke

18. The nitrogen oxide standards listed in Condition II.A.17 of this permit apply at all times including periods of startup, shutdown, or malfunction, as defined in Condition II.A.22 of this permit. [40 CFR 60.44b(h), 40 CFR 60.46b(a)]
19. Compliance with the nitrogen oxide emission limits in Condition II.A.17 of this permit shall be determined on a 30-day rolling average basis. A new rolling average emission rate is calculated each steam generating unit operating day as the average of all of the hourly nitrogen oxides emission data for the preceding 30 steam generating unit operating days. [40 CFR 60.44b(i), 40 CFR 60.46b(c), 40 CFR 60.46b(e)(2) and (3)]

Hydrocarbon Limits

20. On and after the date of startup, the permittee shall not discharge or cause the discharge of hydrocarbons in excess of 10.0 lbs/hr per boiler (3-hour average). [PSD permit SE 87-01 Condition IX.I]

Startup and Shutdown Provisions

21. Exemption from some emission concentration limits (ppm), but not mass limits (lb/hr or tons/year) during startup and shutdown conditions:

The concentration limits (ppm) in Conditions II.A.1, II.A.13, and II.A.15 of this permit do not apply during conditions of startup and shutdown of the plant boilers. For conditions derived from the PSD permit, startup is defined as the period of time during which the boiler is heated to operating temperature at a steady state load from a lower temperature, not to exceed 36 hours. If curing of refractory is required after repair of modifications, startup time shall not exceed 60 hours. Operating temperature indicating steady state load shall be indicated by the temperature at the outlet of the recycle cyclone reaching 1550 degrees Fahrenheit for a period of at least 5 minutes. For conditions derived from the PSD permit, shutdown is defined as the period of time, not to exceed 8 hours, during which the boiler is allowed to cool from its operating temperature at steady-state load to a lower temperature. [PSD permit SE 87-01 Condition IX.M]

22. When determining compliance with conditions derived from the NSPS (i.e., 40 CFR 60), the following definitions apply [40 CFR 60.2]:
- a. "Affected facility" means, with reference to a stationary source, any apparatus to which a standard is applicable.
 - b. "Malfunction" means any sudden, infrequent, and not reasonably preventable failure of air pollution control equipment, process equipment, or a process to operate in a normal or usual manner. Failures that are caused in part by poor maintenance or careless operation are not malfunctions.
 - c. "Startup" means the setting in operation of an affected facility for any purpose.
 - d. "Shutdown" means the cessation of operation of an affected facility for any purpose.

II.B. Work Practice and Operational Requirements

1. The permittee shall install, continuously operate and maintain the following air pollution controls to minimize emissions. Controls listed shall be fully operational upon startup of the proposed equipment. [PSD permit SE 87-01 Conditions IX.B.1 through 8]
 - a. Each boiler will exhaust to a fabric baghouse, using PTFE or teflon-laminated bags, for the control of particulate emissions (TSP).
 - b. Each boiler shall be equipped with a limestone injection system for the control of SO₂ and acid gas emissions (H₂SO₄).
 - c. Each boiler shall be equipped with an ammonia injection system for the control of NO_x emissions.
 - d. The baled fuel cyclone shall be equipped with a fabric filter for control of particulate emissions.
 - e. The onsite fuel hog shall be wind enclosed for the control of particulate emissions.

- f. The ash handling system shall be completely enclosed, and the ash storage silo equipped with a fabric filter, for the control of particulate emissions.
 - g. The cooling towers shall have drift controls installed to limit drift losses to 0.001 percent of the circulating water mass for the control of particulate emissions.
 - h. The permittee shall install an enclosed petroleum coke storage facility; no open storage of petroleum coke shall be allowed.
2. Only natural gas, propane, or other such gas may be fired by the auxiliary burners. [PSD permit SE 87-01 Condition IX.D.1]
3. Treated wood or wood wastes, coal or coal byproducts and municipal solid waste other than woodwaste shall not be used as a fuel by this facility. [PSD permit SE 87-01 Condition IX.D.2]
4. The annual input of biomass fuel (agricultural wastes, commercial woodwastes, straw, bermuda grass, asparagus ferns, orchard prunings) to the two (2) boilers shall not exceed 400,000 "wet" tons. [PSD permit SE 87-01 Condition IX.D.4]
5. When wind speeds exceed 12 mph, Colmac Energy, Inc. shall control particulate emissions from the fuel storage pile and from the ash storage pile through the use of regular watering. [PSD permit SE 87-01 Condition IX.D.6]
6. Operation of the emergency generator shall not exceed 200 hours per calendar year nor use more than 22 gallons of diesel per hour. [PSD permit SE 87-01 Condition IX.D.7]
7. The permittee shall comply at all times with the requirements of South Coast Air Quality Management District Rule 403 - Fugitive Dust - as required by the Monitoring & Enforcement Agreement (see Attachment A) to which Colmac is signatory. In addition, the permittee shall comply with the following measures in order to minimize fugitive emissions from the ash storage pile [PSD permit SE 87-01 Condition IX.D.8]:
- a. The total amount of ash stored at any one time shall not exceed 13,500 tons.
 - b. Prior to transfer from the silo to the storage area, ash shall be conditioned with water to prevent dust generation during filling of the transfer truck, movement to the storage area, and placement in storage.
 - c. The ash storage pile shall not exceed 15 feet in height.
 - d. During reclamation from storage for transport, offsite or otherwise, any disturbed ash shall be sprayed with water to prevent dust generation.

- e. Prior to movement offsite, transfer trucks shall be water washed, if necessary to remove loose ash. Exposed ash on any ash transfer truck shall be either wetted or fully covered with a tarp to prevent dust generation during transport.
- 8. The permittee shall utilize quarterly a minimum of fifty percent (50%) biomass materials (by weight) as feedstock in its solids fuel supply for the Facility. In any event, the permittee shall utilize fuel mix rates which allow the plant to continually meet all EPA and SCAQMD emission standards applicable to the permittee pursuant to the Monitoring and Enforcement Agreement. [PSD permit SE 87-01 Condition IX.D.10]
- 9. Except as specified in Condition II.C.4 of this permit, the permittee shall utilize in any two consecutive calendar-year periods a minimum annual average of 60,000 bone-dry tons of a combination of agricultural crop residue waste and woody waste generated from sources in Riverside County located within the Coachella Valley. [PSD permit SE 87-01 Condition IX.D.11]
- 10. The boilers comprising unit 01 may combust natural gas to satisfy the sulfur dioxide emission limit in Condition II.A.3 of this permit when the sulfur dioxide control system is not being operated because of malfunction or maintenance of the sulfur dioxide control system. [40 CFR 60.42b(i)]

II.C. Monitoring and Testing Requirements

- 1. Annually, and at such other times as specified by EPA, the permittee shall conduct performance tests for NO_x, SO₂, TSP, CO and hydrocarbon emissions from the boilers comprising unit 01 and furnish EPA a written report of the results of such tests. The tests for NO_x, SO₂, TSP and CO shall be conducted at the maximum operating capacity of the facility being tested. Upon written request (Attn: AIR-5) from the permittee, EPA may approve the conducting of performance tests at a lower specified production rate. After initial performance tests and upon written request and adequate justification from the permittee, EPA may waive a specified annual test for the biomass-fired facility. [PSD permit SE 87-01 Condition IX.C.1, 40 CFR 71.6(c)]
- 2. Performance tests for the emissions of NO_x, SO₂, TSP, CO and hydrocarbons as required by Condition II.C.1 of this permit shall be conducted and the results reported in accordance with the test methods set forth in 40 CFR 60, Part 60.8 and Appendix A. The following test methods shall be used [PSD permit SE 87-01 Condition IX.C.2, 40 CFR 71.6(c)]:
 - a. Performance tests for the emissions of SO₂ shall be conducted using EPA Methods 1-4 and 8.
 - b. Performance tests for the emissions of TSP shall be conducted using EPA Methods 1-4 and 5.
 - c. Performance tests for the emissions of CO shall be conducted using EPA Methods 1-4 and 10.
 - d. Performance tests for the emissions of NO_x shall be conducted using EPA Methods 1-4 and 7.
- 3. The EPA (Attn: AIR-5) shall be notified in writing at least 30 days prior to the tests described in Condition II.C.2 of this permit to allow time for the development of an approvable performance test plan

and to arrange for an observer to be present at the test. Such prior approval shall minimize the possibility of EPA rejection of test results for procedural deficiencies. In lieu of the above-mentioned test methods, equivalent methods may be used with prior written approval from the EPA.

[PSD permit SE 87-01 Condition IX.C.2]

4. For performance test purposes, sampling ports, platforms and access shall be provided by the permittee on the boiler exhaust systems in accordance with 40 CFR 60.8(e). [PSD permit SE-87-01 Condition IX.C.3]
5. Periodic fuel sampling shall be done to ensure compliance of fuel with permit conditions. This condition may be satisfied by the fuel monitoring specified by this permit. [PSD permit SE 87-01 Condition IX.D.3]
6. The permittee shall retest emissions of toxic pollutants while burning combined fuels each time EPA in consultation with SCAQMD determines that its fuel composition may cause health risks to exceed the acceptable thresholds. All retest results shall also be submitted to the Cabazon Band, EPA and SCAQMD. [PSD permit SE-87-01 Condition IX.D.9]
7. To determine compliance with the minimum annual feedstock requirement in Condition II.B.8 of this permit, the permittee shall submit to the Cabazon Band and Riverside County accurate records on a calendar quarter basis. [PSD permit SE 87-01 Condition IX.D.10]
8. To determine compliance with the minimum annual average tonnage requirement in Condition II.B.9 of this permit, the permittee shall submit to Riverside County and the Cabazon Band accurate records on a calendar quarter basis. In the event the permittee documents, and Riverside County verifies, that the biomass fuel supply in the Coachella Valley is unavailable, does not meet the permittee's quality requirements, or is priced non-competitively with respect to other available biomass sources, the permittee may satisfy the bone-dry tonnage requirement by utilizing biomass tonnage documented by it to have been generated within other areas of Riverside County. [PSD permit SE 87-01 Condition IX.D.11]
9. Prior to the date of startup and thereafter, the permittee shall install, maintain and operate the following continuous monitoring systems in the boiler exhaust stack [PSD permit SE 87-01 Condition IX.J.1, 40 CFR 60.47b(a), 40 CFR 60.48b(a), 40 CFR 60.48b(b)(1)]:
 - a. Continuous monitoring systems to measure stack gas SO₂, CO and NO_x concentrations. The system shall meet EPA monitoring performance specifications (40 CFR 60.13 and 40 CFR 60, Appendix B, Performance Specifications 2, 3 and 4).
 - b. A continuous monitoring system to measure stack gas volumetric flow rates. The system shall meet EPA performance specifications (40 CFR 52, Appendix E).
 - c. A transmissometer system for continuous measurement of the stack gas opacity. The system shall meet EPA monitoring performance specifications (40 CFR 60.13 and 40 CFR 60, Appendix B, Performance Specification 1).

10. The permittee shall conduct performance tests annually to determine compliance with the percent of sulfur dioxide emission rate (%Ps) and the sulfur dioxide emission rate (Es) found in Condition II.A.3 of this permit following the procedures listed below [40 CFR 60.45b(c)]:
 - a. If only petroleum coke is combusted, the procedures found in 40 CFR 60.45b(c)(2) shall be used. [40 CFR 60.45b(c)(2)]
 - b. If petroleum coke is combusted with other fuels, the procedures found in 40 CFR 60.45b(c)(3) and 60.45b(c)(4) shall be used. [40 CFR 60.45b(c)(3), 60.45b(c)(4)]
11. Compliance with the sulfur dioxide emission limits and percent reduction requirements under Condition II.A.3 of this permit shall be based on the average emission rates and the average percent reduction for sulfur dioxide for 30 successive steam generating unit operating days. A separate performance test is completed at the end of each steam generating unit operating day after the initial performance test, and a new 30-day average emission rate and percent reduction for sulfur dioxide are calculated to show compliance with the standard. [40 CFR 60.45b(g)]
12. Except when burning only natural gas, the permittee shall use all valid sulfur dioxide emissions data in calculating % P_s and E_{ho} under 40 CFR 60.45b(c) whether or not the minimum emissions data requirements under 40 CFR 60.46b are achieved. All valid emissions data, including valid sulfur dioxides emission data collected during periods of startup, shutdown and malfunction, shall be used in calculating % P_s and E_{ho} pursuant to Condition II.C.10 of this permit. [40 CFR 60.45b(h)]
13. During periods of malfunction or maintenance of the sulfur dioxide control systems when natural gas is combusted as provided under 40 CFR 60.42b(i), emissions data must be used to determine compliance with the sulfur dioxide emission limit in Condition II.A.3 of this permit. [40 CFR 60.45b(i)]
14. Compliance with the particulate matter emission standards in Condition II.A.8 of this permit shall be determined through annual performance testing using the test methods and procedures described in 40 CFR 60.46b(d). [40 CFR 60.46b(b)]
15. In order to demonstrate compliance with the sulfur dioxide emission standard of Condition II.A.3 of this permit, the permittee shall obtain emission data for at least 75 percent of the operating hours in at least 22 out of 30 successive boiler operating days. If this minimum data requirement is not met with a single monitoring system, the permittee shall supplement the emission data with data collected with other monitoring systems as approved by the Administrator. [40 CFR 60.47b(c)]
16. The 1-hour average sulfur dioxide emission rates measured by the CEMS required by 40 CFR 60.47b(a) and 40 CFR 60.13(h) is expressed in ng/J or lb/million Btu heat input and is used to calculate the average sulfur dioxide emission rates in Condition II.A.3 of this permit. Each 1-hour average sulfur dioxide emission rate must be based on more than 30 minutes of steam generating unit operation and include at least 2 data points with each representing a 15-minute period. Hourly sulfur dioxide emission rates are not calculated if the facility is operated less than 30 minutes in a 1-hour period and are not counted toward determination of a steam generating unit operating day. [40 CFR 60.47b(d)]

17. The procedures under 40 CFR 60.13 shall be followed for installation, evaluation, and operation of the sulfur dioxide CEMS. [40 CFR 60.47b(e)]
 - a. All CEMS shall be operated in accordance with the applicable procedures under Performance Specifications 1, 2, and 3 (40 CFR 60 - Appendix B).
 - b. Quarterly accuracy determinations and daily calibration drift tests shall be performed in accordance with Procedure 1 (40 CFR 60 - Appendix F).
 - c. When the facility combusts coke, alone or in combination with other fuels, the span value of the sulfur dioxide CEMS at the inlet to the sulfur dioxide control device is 125 percent of the maximum estimated hourly potential sulfur dioxide emissions of the fuel combusted, and the span value of the CEMS at the outlet to the sulfur dioxide control device is 50 percent of the maximum estimated hourly potential sulfur dioxide emissions of the fuel combusted.
18. The nitrogen dioxide and opacity continuous monitoring systems required under 40 CFR 60.48b(b) shall be operated and data recorded during all periods of operation of the affected facility except for continuous monitoring system breakdowns and repairs. Data is recorded during calibration checks, and zero and span adjustments. [40 CFR 60.48b(c)]
19. The 1-hour average nitrogen oxides emission rates measured by the continuous nitrogen oxides monitor required by 40 CFR 60.48b(b) and 40 CFR 60.13(h) shall be expressed in ng/J or lb/million Btu heat input and shall be used to calculate the average emission rates under 40 CFR 60.44b. The 1-hour averages shall be calculated using the data points required under 40 CFR 60.13(b). At least 2 data points must be used to calculate each 1-hour average. [40 CFR 60.48b(d)]
20. The procedures under 40 CFR 60.13 shall be followed for installation, evaluation, and operation of the nitrogen dioxide and opacity continuous monitoring systems. [40 CFR 60.48b(e)]
 - a. When combusting coke or wood, the span value for a continuous monitoring system for measuring opacity shall be between 60 and 80 percent.
 - b. When combusting coke or natural gas, the span value for nitrogen oxides shall be determined as provided in 40 CFR 60.49b(e)(2).
 - c. All span values computed under part b. of this Condition for combusting mixtures of regulated fuels must be rounded to the nearest 500 ppm.
21. When nitrogen oxides emission data are not obtained because of continuous monitoring system breakdowns, repairs, calibration checks and zero and span adjustments, emission data will be obtained by using standby monitoring systems, Method 7, Method 7A, or other approved reference methods to provide emission data for a minimum of 75 percent of the operating hours in each steam generating unit

operating day, in at least 22 out of 30 successive steam generating unit operating days. [40 CFR 60.48b(f)]

II.D. Recordkeeping Requirements

1. The permittee shall record and maintain (for the boilers): daily records of the amounts and types of biomass fuel fired each calendar quarter, the amount of natural gas fired each calendar quarter, the amount of petroleum coke fired each calendar quarter, and the plant hours of operation. All information shall be recorded in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, calculation and record. (Note: this does not alter the requirement in Condition III.B.2 of this permit that all records of monitoring data and support information required under this permit must be maintained for at least 5 years) [PSD permit SE-87-01 Condition IX.D.5]
2. The permittee shall maintain a file of all measurements, including continuous monitoring systems evaluations; all continuous monitoring systems or monitoring device calibration checks; adjustments and maintenance performed on these systems or devices; performance and all other information required by 40 CFR 60 recorded in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, maintenance, reports and records. (Note: this does not alter the requirement in Condition III.B.2 of this permit that all records of monitoring data and support information required under this permit must be maintained for at least 5 years) [PSD permit SE-87-01 Condition IX.J.2]
3. The permittee shall record and maintain, for the boilers, records of the amounts of each fuel combusted during each day and calculate the annual capacity factor individually for petroleum coke, natural gas, and wood for the reporting period. The annual capacity factor is determined on a 12-month rolling average basis with a new annual capacity factor calculated at the end of each calendar month. [40 CFR 60.49b(d)]
4. The permittee shall maintain records of opacity. [40 CFR 60.49b(f)]
5. The permittee shall maintain records of the following information for each steam generating unit operating day [40 CFR 60.49b(g)]:
 - a. Calendar date.
 - b. The average hourly nitrogen oxides emission rates (expressed as NO₂ in units of ng/J or lb/million Btu heat input) measured or predicted.
 - c. The 30-day average nitrogen oxides emission rates (ng/J or lb/million Btu heat input) calculated at the end of each steam generating unit operating day from the measured or predicted hourly nitrogen oxide emission rates for the preceding 30 steam generating unit operating days.

- d. Identification of the steam generating unit operating days when the calculated 30-day average nitrogen oxides emission rates are in excess of the nitrogen oxides emissions standards under Condition II.A.17 of this permit, with the reasons for such excess emissions as well as a description of corrective actions taken.
 - e. Identification of the steam generating unit operating days for which pollutant data have not been obtained, including reasons for not obtaining sufficient data and a description of corrective actions taken.
 - f. Identification of the times when emission data have been excluded from the calculation of average emission rates and the reasons for excluding data.
 - g. Identification of "F" factor used for calculations, method of determination, and type of fuel combusted.
 - h. Identification of the times when the pollutant concentration exceeded full span of the continuous monitoring system.
 - i. Description of any modifications to the continuous monitoring system that could affect the ability of the continuous monitoring system to comply with NSPS 40 CFR 60 - Performance Specification 2 or 3.
 - j. Results of daily CEMS drift tests and quarterly accuracy assessments as required under 40 CFR 60 - Appendix F, Procedure 1.
- 6. All records required by 40 CFR 60 - Subpart Db shall be maintained by the permittee for a period of 2 years following the date of such record. (Note: this does not alter the requirement in Condition III.B.2 of this permit that all records of monitoring data and support information required under this permit must be maintained for at least 5 years) [40 CFR 60.49b(o)]
 - 7. The permittee shall maintain records of the hours of operation and diesel fuel use for the emergency generator. [40 CFR 71.6(c)]
 - 8. The permittee shall maintain records of all activities undertaken to comply with Condition II.B.7 of this permit, including (but not limited to) the following: monthly records of the weight and height of the ash storage pile, dates of ash transfer from the silo to the storage area, and dates of ash transfer offsite. [40 CFR 71.6(c)]

II.E. Reporting Requirements

- 1. The permittee shall submit a quarterly composition analysis of its petroleum coke supply to the Cabazon Band, EPA and SCAQMD. [PSD permit SE 87-01 Condition IX.D.9]

2. The permittee shall submit a written report of all excess emissions to EPA (Attn: AIR-5) for every calendar quarter. The report shall include the following [PSD permit SE 87-01 Condition IX.J.4, 40 CFR 60.49b(h)]:
 - a. The magnitude of excess emissions computed in accordance with 40 CFR 60.13(h), any conversion factors used, and the date and time of commencement and completion of each time period of excess emissions.
 - b. Specific identification of each period of excess emissions that occurs during startups, shutdowns, and malfunctions of the furnace/boiler system. The nature and cause of any malfunction (if known) and the corrective action taken or preventive measures adopted shall also be reported.
 - c. The date and time identifying each period during which the continuous monitoring system was inoperative except for zero and span checks, and the nature of the system repairs or adjustments.
 - d. When no excess emissions have occurred or the continuous monitoring system has not been inoperative, repaired, or adjusted, such information shall be stated in the report.
 - e. Excess emissions shall be defined as any 3-hour period during which the average emissions of SO₂, NO_x, or CO, as measured by the CEM, exceeds the maximum 3-hour emission limits set forth in Conditions II.A.1, 13, and 15 of this permit and any calendar day during which the average emissions of NO_x as measured by the CEM, exceeds the maximum daily emission limit set forth in II.A.15 above. Excess emissions shall also be defined as any period or periods aggregating more than three minutes in any one hour during which the stack gas opacity as measured by the CEM exceeds the limit set forth in Condition II.A.10 of this permit.
3. Excess emissions indicated by the CEM system shall be considered violations of the applicable emission limit for the purposes of this permit. [PSD permit SE 87-01 Condition IX.J.5]
4. The permittee shall submit semiannual reports of information recorded as required by Condition II.D.5 of this permit. [40 CFR 60.49b(i)]
5. The permittee shall submit reports of all information related to compliance with the sulfur dioxide emission limit and percent reduction requirement of Condition II.A.3 of this permit. [40 CFR 60.49b(j)]
6. Regarding compliance and performance testing requirements of 40 CFR 60.45b and the reporting requirement in 40 CFR 60.49b(j), the following information shall be reported to the Administrator [40 CFR 60.49b(k)]:
 - a. Calendar dates covered in the reporting period.
 - b. Each 30-day average sulfur dioxide emission rate (ng/J or lb/million Btu heat input) measured during the reporting period, ending with the last 30-day period; reasons for noncompliance with the emission standards; and a description of corrective actions taken.

- c. Each 30-day average percent reduction in sulfur dioxide emissions calculated during the reporting period, ending with the last 30-day period; reasons for noncompliance with the emission standards; and a description of corrective actions taken.
 - d. Identification of the steam generating unit operating days that petroleum coke was combusted and for which sulfur dioxide or diluent (oxygen or carbon dioxide) data have not been obtained by an approved method for at least 75 percent of the operating hours in the steam generating unit operating day; justification for not obtaining sufficient data; and description of corrective action taken.
 - e. Identification of the times when emissions data have been excluded from the calculation of average emission rates; justification for excluding data; and description of corrective action taken if data have been excluded for periods other than those during which coal or oil were not combusted in the steam generating unit.
 - f. Identification of "F" factor used for calculations, method of determination, and type of fuel combusted.
 - g. Identification of times when hourly averages have been obtained based on manual sampling methods.
 - h. Identification of the times when the pollutant concentration exceeded full span of the CEMS.
 - i. Description of any modifications to the CEMS that could affect the ability of the CEMS to comply with 40 CFR 60 - Performance Specification 2 or 3.
 - j. Results of daily CEMS drift tests and quarterly accuracy assessments as required under 40 CFR 60 - Appendix F, Procedure 1.
 - k. The annual capacity factor of each fuel fired as provided under 40 CFR 60.49b(d)
7. The reporting period for the reports required under 40 CFR 60 - Subpart Db is each six-month period. All reports shall be submitted to the Administrator and shall be postmarked by the 30th day following the end of the reporting period. [40 CFR 60.49b(s)]
8. The permittee may submit electronic quarterly reports for SO₂ and/or NO_x and/or opacity in lieu of submitting the written reports required under 40 CFR 60.49b(h), (i), (j), (k) or (l). The format of each quarterly electronic report shall be coordinated with the permitting authority. The electronic report(s) shall be submitted no later than 30 days after the end of the calendar quarter and shall be accompanied by a certification statement from the owner or operator, indicating whether compliance with the applicable emission standards and minimum data requirements of this subpart was achieved during the reporting period. Before submitting reports in the electronic format, the owner or operator shall coordinate with the permitting authority to obtain their agreement to submit reports in this alternative format. [40 CFR 60.49b(v)]

II.F. Emission Mitigation Conditions [PSD permit SE 87-01, Condition L]

1. As used in this permit, "Monitoring and Enforcement Agreement" shall mean that certain agreement executed by Colmac Energy, Inc. on May 10, 1989, executed thereafter by the South Coast Air Quality Management District (SCAQMD), the Cabazon Band of Mission Indians, the County of Riverside, and the Coachella Valley Association of Governments, and consented to by the Department of Interior, Bureau of Indian Affairs and by the Environmental Protection Agency (see Attachment A). A copy of the agreement shall be retained and made available for public review at the Region 9 office of EPA, San Francisco, California and at the SCAQMD office in El Monte, California. [PSD permit SE 87-01, Condition L.1]
2. Emission Mitigation Options [PSD permit SE 87-01, Condition L.2]:
 - a. Measures to mitigate emissions from the facility shall be provided by the payments required by paragraph 13 of the Monitoring and Enforcement Agreement. These payments shall be in lieu of all air emissions offsets for the permitted emissions for the project subject to the conditions set forth in subparagraph (b) below.
 - b. In the event that the permitted emissions for the facility, as allowed by this permit or any amendment thereto, are greater than one-half the offset credit amounts listed in this subparagraph as Available Open Field Burning Offset Credits, which amounts have been accepted as previously available to the facility, then the facility must provide additional offsets for each day the plant operates to mitigate facility emissions to the extent that a daily permitted emission exceeds the daily Available Open Field Burning Offset Credit amount.

Available Open Field Burning Offset Credits

<u>Pollutants</u>	<u>lb/day</u>
NOx	2,134
SO ₂	2,192
CO	48,312
HC	3,690
PM	2,790

In the event that the number of operating days exceeds 330 in any 365-day period, then the daily offset credits listed above shall be reduced by the ratio of 330 divided by the actual number of operating days in that period.

- c. Offsets required pursuant to subparagraph (b) above may be provided by open field burning credits from within the Southeast Desert Air Basin as defined on June 10, 1987 and in accordance with the ARB/CAPCOA recommended procedure, dated June 21, 1984 [A Procedure to Implement the Provisions of Health and Safety Code Section 41605 Relating to the Determination of Agricultural/Forestry Emission Offset Credits ("the ARB/CAPCOA recommended procedure")]. The emission offset credit shall be calculated using the ARB/CAPCOA recommended procedure. Alternatively, any offsets required pursuant to

subparagraph (b) may be provided in accordance with the regulations of the SCAQMD or by any combination of Open Field Burning Offset Credits and other SCAQMD complying offsets.

3. Pursuant to paragraph 14 of the Monitoring and Enforcement Agreement, the permittee agrees to use its best efforts to acquire agricultural waste through agreements negotiated with farmers or other suppliers in the Coachella Valley, and with the assistance of the county by directly encouraging farmers to provide such wastes, which wastes would otherwise have been burned in the open field in the Coachella Valley but could, consistent with sound agricultural practices, be obtained by Colmac and burned in the permitted facility as fuel. [PSD permit SE 87-01, Condition L.3]
4. The permittee shall require and maintain fuel receipts, bills of lading or transportation manifests, and scale records for acquisition and transportation of fuel acquired from within the Coachella Valley which would otherwise be burned in the open field. Record-keeping shall include daily records of weight, type, and geographic location of origin of fuel received for combustion at the permitted facility and the number of operating days in the previous 365 day period.[PSD permit SE 87-01, Condition L.4]
5. Each year, on the anniversary of the date of initial combustion of biomass fuel at the facility, the permittee shall submit the records maintained in accordance with this condition to EPA (Attn: AIR-5) and to the SCAQMD, El Monte, California. [PSD permit SE 87-01, Condition L.5]
6. All of the above information shall be recorded by the permittee in a permanent form suitable for inspection, and the file shall be retained for at least two years following the date of such measurements, calculation, and record.[PSD permit SE 87-01 Condition L.6]
7. After the end of the ten year period commencing with the initial start up of the permitted facility on biomass fuel ("the ten year period") the permittee shall continue to fully offset emissions from the plant in accordance with the options provided for in paragraph 16 of the Monitoring and Enforcement Agreement. The following procedures shall apply [PSD permit SE 87-01, Condition L.7]:
 - a. In the event that the permittee elects to continue the payments as provided in paragraph 13 of the Monitoring and Enforcement Agreement, then the provisions of this condition II.F shall remain in effect. Such election by the permittee shall be made prior to the end of the ten year period in writing delivered by certified mail to EPA, Region 9, Air Division, with copies to the SCAQMD and the County of Riverside.
 - b. Alternatively, in the event that the permittee has not made the election provided for in subparagraph (a) above and EPA has not approved an amendment to the permit prior to the end of the ten year period, which amendment provides for an alternative means of offsetting plant emissions in conformance with paragraph 16 of the Monitoring and Enforcement Agreement, then paragraph IX.L of the PSD permit SE 87-01 as originally issued June 28, 1988 shall be reinstated without further action by EPA.
 - c. The SCAQMD and the County of Riverside shall be given notice by EPA of any proposed amendment to this permit.

II.G. NSPS General Provisions [40 CFR Part 60, Subpart A]

The following requirements apply to the operation, maintenance, and testing of the boilers comprising unit 01 in accordance with 40 CFR Part 60, Subpart Db ("Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units")

1. All requests, reports, applications, submittals, and other communications to the Administrator pursuant to 40 CFR Part 60 shall be submitted in duplicate to the EPA Region 9 office at the following address [40 CFR 60.4(a)]:

Director, Air Division (Attn: AIR-1)
EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105

2. Any owner or operator subject to the provisions of this part shall maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility; any malfunction of the air pollution control equipment; or any periods during which a continuous monitoring system or monitoring device is inoperative. [40 CFR 60.7(b)]
3. Each owner or operator required to install a continuous monitoring device shall submit excess emissions and monitoring systems performance report (excess emissions are defined in applicable subparts) and-or summary report form (see paragraph (d) of this section) to the Administrator semi-annually, except when: more frequent reporting is specifically required by an applicable subpart; or the Administrator, on a case-by-case basis, determines that more frequent reporting is necessary to accurately assess the compliance status of the source. All reports shall be postmarked by the 30th day following the end of each six-month period. Written reports of excess emissions shall include the following information [40 CFR 60.7(c)]:
 - a. The magnitude of excess emissions computed in accordance with 40 CFR 60.13(h), any conversion factor(s) used, and the date and time of commencement and completion of each time period of excess emissions. The process operating time during the reporting period.
 - b. Specific identification of each period of excess emissions that occurs during startups, shutdowns, and malfunctions of the affected facility. The nature and cause of any malfunction (if known), the corrective action taken or preventative measures adopted.
 - c. The date and time identifying each period during which the continuous monitoring system was inoperative except for zero and span checks and the nature of the system repairs or adjustments.
 - d. When no excess emissions have occurred or the continuous monitoring system(s) have not been inoperative, repaired, or adjusted, such information shall be stated in the report.

4. The summary report form shall contain the information and be in the format shown in Figure 1 in 40 CFR 60.7(d), unless otherwise specified by the Administrator. One summary report form shall be submitted for each pollutant monitored at each affected facility. [40 CFR 60.7(d)]
 - a. If the total duration of excess emissions for the reporting period is less than 1 percent of the total operating time for the reporting period and CMS downtime for the reporting period is less than 5 percent of the total operating time for the reporting period, only the summary report form shall be submitted and the excess emission report described in § 60.7(c) need not be submitted unless requested by the Administrator.
 - b. If the total duration of excess emissions for the reporting period is 1 percent or greater of the total operating time for the reporting period or the total CMS downtime for the reporting period is 5 percent or greater of the total operating time for the reporting period, the summary report form and the excess emission report described in 40 CFR 60.7(c) shall both be submitted.
5. Any owner or operator subject to the provisions of this part shall maintain a file of all measurements, including continuous monitoring system, monitoring device, and performance testing measurements; all continuous monitoring system performance evaluations; all continuous monitoring system or monitoring device calibration checks; adjustments and maintenance performed on these systems or devices; and all other information required by this part recorded in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, maintenance, reports, and records, except as follows [40 CFR 60.7(f)]:
 - a. This paragraph applies to owners or operators required to install a continuous emissions monitoring system (CEMS) where the CEMS installed is automated, and where the calculated data averages do not exclude periods of CEMS breakdown or malfunction. An automated CEMS records and reduces the measured data to the form of the pollutant emission standard through the use of a computerized data acquisition system. In lieu of maintaining a file of all CEMS subhourly measurements as required under Condition II.G.5 of this permit, the owner or operator shall retain the most recent consecutive three averaging periods of sub-hourly measurements and a file that contains a hard copy of the data acquisition system algorithm used to reduce the measured data into the reportable form of the standard.
 - b. This paragraph applies to owners or operators required to install a CEMS where the measured data is manually reduced to obtain the reportable form of the standard, and where the calculated data averages do not exclude periods of CEMS breakdown or malfunction. In lieu of maintaining a file of all CEMS subhourly measurements as required under Condition II.G.5 of this permit, the owner or operator shall retain all subhourly measurements for the most recent reporting period. The subhourly measurements shall be retained for 120 days from the date of the most recent summary or excess emission report submitted to the Administrator.
 - c. The Administrator or delegated authority, upon notification to the source, may require the owner or operator to maintain all measurements as required by Condition II.G.5 of this permit, if the Administrator or the delegated authority determines these records are required to more accurately assess the compliance status of the affected source.

6. The availability to the public of information provided to, or otherwise obtained by, the EPA Administrator under this permit shall be governed by 40 CFR Part 2. (Information submitted voluntarily to the Administrator for the purposes of compliance with 40 CFR 60.5 and 60.6 is governed by 40 CFR 2.201 through 2.213 and not by 40 CFR 2.301.) [40 CFR 60.9]
7. Compliance with standards in 40 CFR 60 - Subpart Db, other than opacity standards, shall be determined in accordance with performance tests established by 40 CFR 60.8, unless otherwise specified in Section II.C of this permit. [40 CFR 60.11(a)]
8. Compliance with opacity standards in 40 CFR 60 - Subpart Db shall be determined by conducting observations in accordance with Reference Method 9 in 40 CFR 60 -Appendix A, any alternative method that is approved by the Administrator, or as provided in paragraph 40 CFR 60.11(e)(5). For purposes of determining initial compliance, the minimum total time of observations shall be 3 hours (30 6-minute averages) for the performance test or other set of observations (meaning those fugitive-type emission sources subject only to an opacity standard). [40 CFR 60.11(b)]
9. The opacity standards set forth in this part shall apply at all times except during periods of startup, shutdown, malfunction, and as otherwise provided in the applicable standard. [40 CFR 60.11(c)]
10. At all times, including periods of startup, shutdown, and malfunction, the permittee shall, to the extent practicable, maintain and operate this facility including associated air pollution control equipment as efficiently as possible in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. [40 CFR 60.11(d), PSD permit SE 87-01 Condition III]
11. For the purpose of submitting compliance certifications or establishing whether or not a person has violated or is in violation of any standard in 40 CFR Part 60, nothing shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed. [40 CFR 60.11(g)]
12. No owner or operator subject to the provisions 40 CFR Part 60 shall build, erect, install, or use any article, machine, equipment or process, the use of which conceals an emission which would otherwise constitute a violation of an applicable standard. Such concealment includes, but is not limited to, the use of gaseous diluents to achieve compliance with an opacity standard or with a standard which is based on the concentration of a pollutant in the gases discharged to the atmosphere. [40 CFR 60.12]
13. For the purposes of this section, all continuous monitoring systems required under applicable subparts shall be subject to the provisions of this section upon promulgation of performance specifications for continuous monitoring systems under appendix B to this part and, if the continuous monitoring system is used to demonstrate compliance with emission limits on a continuous basis, appendix F to this part,

unless otherwise specified in an applicable subpart or by the Administrator. Appendix F is applicable December 4, 1987. [40 CFR 60.13(a)]

14. All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests under 40 CFR 60.8. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)]
15. The permittee shall conduct COMS or CEMS performance evaluations consistent with 40 CFR 60 - Appendix B, at such other times as may be required by the Administrator under section 114 of the Act. [40 CFR 60.13(c)]
16. Owners and operators of all continuous emission monitoring systems installed in accordance with 40 CFR 60 shall check the zero (or low-level value between 0 and 20 percent of span value) and span (50 to 100 percent of span value) calibration drifts at least once daily in accordance with a written procedure. The zero and span shall, as a minimum, be adjusted whenever the 24-hour zero drift or 24-hour span drift exceeds two times the limits of the applicable performance specifications in 40 CFR 60 - Appendix B. The system must allow the amount of excess zero and span drift measured at the 24-hour interval checks to be recorded and quantified, whenever specified. For continuous monitoring systems measuring opacity of emissions, the optical surfaces exposed to the effluent gases shall be cleaned prior to performing the zero and span drift adjustments except that for systems using automatic zero adjustments. The optical surfaces shall be cleaned when the cumulative automatic zero compensation exceeds 4 percent opacity. [40 CFR 60.13(d)(1)]
17. Unless otherwise approved by the Administrator, the following procedures shall be followed for continuous monitoring systems measuring opacity of emissions. Minimum procedures shall include a method for producing a simulated zero opacity condition and an upscale (span) opacity condition using a certified neutral density filter or other related technique to produce a known obscuration of the light beam. Such procedures shall provide a system check of the analyzer internal optical surfaces and all electronic circuitry including the lamp and photodetector assembly. [40 CFR 60.13(d)(2)]
18. Except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under paragraph (d) of this section, all continuous monitoring systems shall be in continuous operation and shall meet minimum frequency of operation requirements as follows [40 CFR 60.13(e)]:
 - a. All continuous monitoring systems referenced by 40 CFR 60.13(c) for measuring opacity of emissions shall complete a minimum of one cycle of sampling and analyzing for each successive 10-second period and one cycle of data recording for each successive 6-minute period.
 - b. All continuous monitoring systems referenced by 40 CFR 60.13(c) for measuring emissions, except opacity, shall complete a minimum of one cycle of operation (sampling, analyzing, and data recording) for each successive 15-minute period.
19. All continuous monitoring systems or monitoring devices shall be installed such that representative measurements of emissions or process parameters from the affected facility are obtained. Additional

procedures for location of continuous monitoring systems contained in the applicable Performance Specifications of 40 CFR 60 - Appendix B shall be used. [40 CFR 60.13(f)]

20. Owners or operators of all continuous monitoring systems for measurement of opacity shall reduce all data to 6-minute averages and for continuous monitoring systems other than opacity to 1-hour averages for time periods as defined in 40 CFR 60.2. Six-minute opacity averages shall be calculated from 36 or more data points equally spaced over each 6-minute period. For continuous monitoring systems other than opacity, 1-hour averages shall be computed from four or more data points equally spaced over each 1-hour period. Data recorded during periods of continuous system breakdown, repair, calibration checks, and zero and span adjustments shall not be included in the data averages computed under this paragraph. For owners and operators complying with the requirements in 40 CFR 60.7(f) (1) or (2), data averages must include any data recorded during periods of monitor breakdown or malfunction. An arithmetic or integrated average of all data may be used. The data may be recorded in reduced or nonreduced form (e.g., ppm pollutant and percent O₂ or ng/J of pollutant). All excess emissions shall be converted into units of the standard using the applicable conversion procedures specified in subparts. After conversion into units of the standard, the data may be rounded to the same number of significant digits as used in the applicable subparts to specify the emission limit (e.g., rounded to the nearest 1 percent opacity). [40 CFR 60.13(h)]
21. After receipt and consideration of written application, the Administrator may approve alternatives to any monitoring procedures or requirements of 40 CFR 60 including, but not limited to alternative monitoring requested for reasons listed in 40 CFR 60.13(i). [40 CFR 60.13(i)]
22. An alternative to the relative accuracy test for continuous monitoring systems specified in Performance Specification 2 of 40 CFR 60 - Appendix B may be requested as described in 40 CFR 60.13(j). [40 CFR 60.13(j)]
23. With respect to compliance with all New Source Performance Standards (NSPS) of 40 CFR Part 60, the permittee shall comply with the "General notification and reporting requirements" found in 40 CFR 60.19. [40 CFR 60.19]

II.H. Compliance Schedule and Progress Reports [40 CFR § 71.5(c)(8)(iii) and § 71.6(c)(3)]

1. For applicable requirements with which the source is in compliance, the source will continue to comply with such requirements.
2. For applicable requirements that will become effective during the permit term, the source shall meet such requirements on a timely basis.

III. Facility-Wide or Generic Permit Requirements

Conditions in this section of the permit (Section III) apply to all emissions units located at the facility. [See § 71.6(a)(1)]

III.A. Testing Requirements [40 CFR § 71.6(a)(3)]

In addition to the unit specific testing requirements derived from the applicable requirements for each individual unit contained in Section II of this permit, the permittee shall comply with the following generally applicable testing requirements as necessary to ensure that the required tests are sufficient for compliance purposes:

1. Submit to EPA a source test plan 30 days prior to any required testing. The source test plan shall include and address the following elements:
 - 1.0 Purpose of the test
 - 2.0 Source Description and Mode of Operation During Test
 - 3.0 Scope of Work Planned for Test
 - 4.0 Schedule/Dates
 - 5.0 Process Data to be Collected During Test
 - 6.0 Sampling and Analysis Procedures
 - 6.1 Sampling Locations
 - 6.2 Test Methods
 - 6.3 Analysis Procedures and Laboratory Identification
 - 7.0 Quality Assurance Plan
 - 7.1 Calibration Procedures and Frequency
 - 7.2 Sample Recovery and Field Documentation
 - 7.3 Chain of Custody Procedures
 - 7.4 QA/QC Project Flow Chart
 - 8.0 Data Processing and Reporting
 - 8.1 Description of Data Handling and QC Procedures
 - 8.2 Report Content
2. Unless otherwise specified by an applicable requirement or permit condition in Section II, all source tests shall be performed at maximum operating rates (90% to 110%) of device design capacity).
3. Only regular operating staff may adjust the processes or emission control device parameters during a compliance source test. No adjustments are to be made within two (2) hours of the start of the tests. Any operating adjustments made during a source test, that are a result of consultation during the tests with source testing personnel, equipment vendors, or consultants, may render the source test invalid.

4. During each test run and for two (2) hours prior to the test and two (2) hours after the completion of the test, the permittee shall record the following information:
 - a. Fuel characteristics and/or amount of product processed (if applicable).
 - b. Visible emissions.
 - c. All parametric data which is required to be monitored in Section II for the emission unit being tested.
 - d. Other source specific data identified in Section II such as minimum test length (e.g., one hour, 8 hours, 24 hours, etc.), minimum sample volume, other operating conditions to be monitored, correction of O₂, etc.
5. Each source test shall consist of at least three (3) valid test runs and the emission results shall be reported as the arithmetic average of all valid test runs and in the terms of the emission limit. There must be at least 3 valid test runs, unless otherwise specified.
6. Source test reports shall be submitted to EPA within 60 days of completing any required source test.

III.B. Recordkeeping Requirements [40 CFR § 71.6 (a)(3)(ii)]

In addition to the unit specific recordkeeping requirements derived from the applicable requirements for each individual unit and contained in Section II, the permittee shall comply with the following generally applicable recordkeeping requirements:

1. The permittee shall keep records of required monitoring information that include the following:
 - a. The date, place, and time of sampling or measurements;
 - b. The date(s) analyses were performed;
 - c. The company or entity that performed the analyses;
 - d. The analytical techniques or methods used;
 - e. The results of such analyses; and
 - f. The operating conditions as existing at the time of sampling or measurement.
2. The permittee shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records, all original

strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.

III.C. Reporting Requirements [40 CFR § 71.6 (a)(3)(iii)]

1. The permittee shall submit reports of any monitoring required under §§ 71.6(a)(3)(i)(A), (B), or (C) at least every 6 months from the date of issuance of this permit.
 - a. A monitoring report under this section must include the following:
 - (1) The company name and address,
 - (2) The beginning and ending dates of the reporting period,
 - (3) The emissions unit or activity being monitored
 - (4) The emissions limitation or standard, including operational requirements and limitations (such as parameter ranges), specified in the permit for which compliance is being monitored.
 - (5) All instances of deviations from permit requirements, including those attributable to upset conditions as defined in the permit and including excursions or exceedances as defined under 40 CFR part 64, and the date on which each deviation occurred.
 - (6) If the permit requires continuous monitoring of an emissions limit or parameter range, the report must include the total operating time of the emissions unit during the reporting period, the total duration of excess emissions or parameter exceedances during the reporting period, and the total downtime of the continuous monitoring system during the reporting period.
 - (7) If the permit requires periodic monitoring, visual observations, work practice checks, or similar monitoring, the report shall include the total time when such monitoring was not performed during the reporting period and at the source's discretion either the total duration of deviations indicated by such monitoring or the actual records of deviations.
 - (8) All other monitoring results, data, or analyses required to be reported by the applicable requirement.
 - (9) The name, title, and signature of the responsible official who is certifying to the truth, accuracy, and completeness of the report.

- b. Any report required by an applicable requirement that provides the same information described in paragraph III.C.1.a(1) through (9) above shall satisfy the requirement under III.C.1.a.
 - c. “Deviation,” means any situation in which an emissions unit fails to meet a permit term or condition. A deviation is not always a violation. A deviation can be determined by observation or through review of data obtained from any testing, monitoring, or record keeping established in accordance with § 71.6(a)(3)(i) and (a)(3)(ii). For a situation lasting more than 24 hours, each 24-hour period is considered a separate deviation. Included in the meaning of deviation are any of the following:
 - (1) A situation when emissions exceed an emission limitation or standard;
 - (2) A situation when there is an excursion of a process or control device
 - (3) A situation in which observations or data collected demonstrate noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit.
 - (4) A situation in which an exceedance or an excursion, as defined in the compliance assurance plan (40 CFR Part 64), occurs.
2. The permittee shall promptly report to the EPA Regional Office deviations from permit or start-up, shut-down malfunction plan requirements, including those attributable to upset conditions as defined in this permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. “Prompt” is defined as follows:
- a. Any definition of “prompt” or a specific timeframe for reporting deviations provided in an underlying applicable requirement as identified in this permit;
 - b. Where the underlying applicable requirement does not define prompt or provide a timeframe for reporting deviations, reports of deviations will be submitted based on the following schedule:
 - (1) For emissions of a hazardous air pollutant or a toxic air pollutant(as identified in the applicable regulation) that continue for more than an hour in excess of permit requirements, the report must be made within 24 hours of the occurrence.
 - (2) For emissions of any regulated pollutant excluding a hazardous air pollutant or a toxic air pollutant that continue for more than two hours in excess of permit requirements, the report must be made within 48 hours.

- (3) For all other deviations from permit requirements, the report shall be submitted with the semi-annual monitoring report required in paragraph III.C.1 of this permit.
- 3. If any of the conditions in III.C.2.b of this permit are met, the source must notify the permitting authority by telephone or facsimile based on the timetable listed. A written notice, certified consistent with paragraph III.C.4 of this permit section must be submitted within 10 working days of the occurrence. All deviations reported under this section must also be identified in the 6-month report required under paragraph III.C.1 of this section.
- 4. Any application form, report, or compliance certification required to be submitted by this permit shall contain certification by a responsible official of truth, accuracy, and completeness. All certifications shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

III.D. Chemical Accident Prevention [Clean Air Act Sections 112(r)(1), 112(r)(3), 112(r)(7) & 40 CFR Part 68]

- 1. The following activities are considered essential and necessary to satisfy the general duty requirements of section 112(r)(1) of the Act:
 - a. Identify hazards which may result from accidental releases using appropriate hazard assessment techniques.
 - b. Design, maintain, and operate a safe facility.
 - c. Minimize the consequences of accidental releases if they occur.
- 2. This facility is subject to 40 CFR part 68 and shall certify annual compliance with all requirements of 40 CFR part 68, including compliance with the risk management plan (RMP) submitted to EPA. [40 CFR § 68.215]

IV. Title V Administrative Requirements

IV.A. Fee Payment [40 CFR §71.6(a)(7) and 40 CFR §71.9]

1. The permittee shall pay an annual permit fee in accordance with the procedures outlined below.
[See § 71.9(a).]
2. The permittee shall pay the annual permit fee by September 1 of each year.
3. The fee payment shall be in United States currency and shall be paid by money order, bank draft, certified check, corporate check, or electronic funds transfer payable to the order of the U.S. Environmental Protection Agency.
4. The permittee shall send fee payment and a completed fee filing form to

Mellon Bank
U.S. EPA -- Region 9
P.O. Box 360863M
Pittsburgh, PA 15251

5. The permittee shall send an updated fee calculation worksheet form and a photocopy of each fee payment check (or other confirmation of actual fee paid) submitted annually by the same deadline as required for fee payment to the address listed in Section IV.E of this permit.
[Permittees should note that an annual emissions report, required at the same time as the fee calculation worksheet by § 71.9(h), has been incorporated into the fee calculation worksheet form as a convenience.]
6. Basis for calculating annual fee:
 - a. The annual emissions fee shall be calculated by multiplying the total tons of actual emissions of all “regulated pollutants (for fee calculation)” emitted from the source by the presumptive emissions fee (in dollars/ton) in effect at the time of calculation.
 - (1) “Actual emissions” means the actual rate of emissions in tpy of any regulated pollutant (for fee calculation) emitted from a part 71 source over the preceding calendar year. Actual emissions shall be calculated using each emissions unit’s actual operating hours, production rates, in-place control equipment, and types of materials processed, stored, or combusted during the preceding calendar year.
[See § 71.9(c)(6).]
 - (2) Actual emissions shall be computed using methods required by the permit for determining compliance, such as monitoring or source testing data. [See § 71.9(h)(3).]

- (3) If actual emissions cannot be determined using the compliance methods in the permit, the permittee shall use other federally recognized procedures. § 71.9(e)(2).
 - (4) The term “regulated pollutant (for fee calculation)” is defined in § 71.2.
 - (5) The permittee should note that the presumptive fee amount is revised each calendar year to account for inflation, and it is available from EPA prior to the start of each calendar year.
- b. The permittee shall exclude the following emissions from the calculation of fees:
- (1) The amount of actual emissions of each regulated pollutant (for fee calculation) that the source emits in excess of 4,000 tons per year. See § 71.9(c)(5)(i);
 - (2) Actual emissions of any regulated pollutant (for fee calculation) already included in the fee calculation, see § 71.9(c)(5)(ii); and
 - (3) The quantity of actual emissions (for fee calculation) of insignificant activities [defined in § 71.5(c)(11)(i)] or of insignificant emissions levels from emissions units identified in the permittee’s application [pursuant to § 71.5(c)(11)(ii)]. [See § 71.9(c)(5)(iii).]
7. Fee calculation worksheets shall be certified as to truth, accuracy, and completeness by a responsible official. [Permittees should note that the fee calculation worksheet form already incorporates a section to help you meet this responsibility.]
 8. The permittee shall retain fee calculation worksheets and other emissions-related data used to determine fee payment for 5 years following submittal of fee payment. Emission-related data include, for example, emissions-related forms provided by EPA and used by the permittee for fee calculation purposes, emissions-related spreadsheets, and emissions-related data, such as records of emissions monitoring data and related support information required to be kept in accordance with § 71.6(a)(3)(ii). [See § 71.9(i).]
 9. Failure of the permittee to pay fees in a timely manner shall subject the permittee to assessment of penalties and interest in accordance with § 71.9(l).
 10. When notified by EPA of underpayment of fees, the permittee shall remit full payment within 30 days of receipt of notification. [See § 71.9(j)(1) and (2).]
 11. A permittee who thinks an EPA assessed fee is in error and who wishes to challenge such fee, shall provide a written explanation of the alleged error to EPA along with full payment of the EPA assessed fee. [See § 71.9(j)(3).]

IV.B. Blanket Compliance Statement [40 CFR § 71.6(a)(6)(i) and (ii), and sections 113(a) and 113(e)(1) of the Act, and § 51.212, § 52.12, § 52.33, § 60.11(g), and § 61.12.]

1. The permittee must comply with all conditions of this Part 71 permit. Any permit noncompliance, including, but not limited to, violation of any applicable requirement; any permit term or condition; any fee or filing requirement; any duty to allow or carry out inspection, entry, or monitoring activities; or any regulation or order issued by the permitting authority pursuant to this part constitutes a violation of the Clean Air Act and is grounds for enforcement action; permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit. [§ 71.6(a)(6)(i) and (ii).]
2. Determinations of deviations, continuous or intermittent compliance status, or violations of this permit, are not limited to the applicable testing or monitoring methods required by the underlying regulations or this permit; other credible evidence (including any evidence admissible under the Federal Rules of Evidence) must be considered in such determinations. [Section 113(a) and 113(e)(1) of the Act, § 51.212, § 52.12, § 52.33, § 60.11(g), and § 61.12.]

IV.C. Compliance Certifications [40 CFR § 71.6(c)(5)]

1. The permittee shall submit to EPA a certification of compliance with permit terms and conditions, including emission limitations, standards, or work practices, annually on the anniversary of the date of issue of this permit, or more frequently if an underlying applicable requirement requires it. The compliance shall be certified by a responsible official consistent with section III.C.4 of this permit and section 114(a)(3) of the Clean Air Act.
2. The certification shall include the following:
 - a. Identification of each permit term or condition that is the basis of the certification.
 - b. Identification of the method(s) or other means used for determining the compliance status of each term and condition during the certification period, and whether such methods or other means provide continuous or intermittent data. If necessary, the owner or operator also shall identify any other material information that must be included in the certification to comply with section 113(c)(2) of the Clean Air Act, which prohibits knowingly making a false certification or omitting material information.
 - c. The compliance status of each term and condition of the permit for the period covered by the certification based on the method or means designated above. The certification shall identify each deviation and take it into account in the compliance certification.
 - d. Whether compliance with each permit term was continuous or intermittent.

IV.D. Duty to Provide and Supplement Information [40 CFR §71.6(a)(6)(v), §71.5(b)]

The permittee shall furnish to EPA, within a reasonable time, any information that EPA may request in writing to determine whether cause exists for modifying, revoking, and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the permittee shall also furnish to the EPA copies of records that are required to be kept pursuant to the terms of the permit, including information claimed to be confidential. Information claimed to be confidential should be accompanied by a claim of confidentiality according to the provisions of 40 CFR part 2, subpart B. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information. The permittee shall also provide additional information as necessary to address any requirements that become applicable to the facility after this permit is issued.

IV.E. Submissions [40 CFR §71.5(d), §71.6 and §71.9]

Any document required to be submitted with this permit shall be certified by a responsible official as to truth, accuracy, and completeness. Such certifications shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. All documents required to be submitted, including reports, test data, monitoring data, notifications, compliance certifications, fee calculation worksheets, and applications for renewals and permit modifications shall be submitted to:

EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105

IV.F. Severability Clause [40 CFR §71.6(a)(5), PSD permit SE 87-01 Condition VII]

The provisions of this permit are severable, and in the event of any challenge to any portion of this permit, or if any portion is held invalid, the remaining permit conditions shall remain valid and in force.

IV.G. Permit Actions [40 CFR §71.6(a)(6)(iii)]

This permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.

IV.H. Reopening for Cause [40 CFR §71.7(f)]

1. EPA shall reopen and revise the permit prior to expiration under any of the following circumstances:
 - a. Additional applicable requirements under the Act become applicable to a major part 71 source with a remaining permit term of 3 or more years.
 - b. Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the permit.

- c. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.
- d. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.

IV.I. Property Rights [40 CFR §71.6(a)(6)(iv)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

IV.J. Inspection and Entry [40 CFR §71.6(c)(2), PSD permit SE 87-01 Condition V]

Upon presentation of credentials and other documents as may be required by law, the permittee shall allow authorized representatives from EPA or the Cabazon Band of Mission Indians to perform the following:

1. Enter upon the permittee's premises where a Part 71 source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;
2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;
3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and
4. As authorized by the Clean Air Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

IV.K. Emergency Provisions [40 CFR §71.6(g)]

1. In addition to any emergency or upset provision contained in any applicable requirement, the permittee may seek to establish that noncompliance with a technology-based emission limitation under this permit was due to an emergency. To do so, the permittee shall demonstrate the affirmative defense of emergency through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - a. an emergency occurred and that the permittee can identify the cause(s) of the emergency;
 - b. the permitted facility was at the time being properly operated;
 - c. during the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards, or other requirements in this permit; and

- d. the permittee submitted notice of the emergency to EPA within 2 working days of the time when emission limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken. This notice fulfills the requirements of Condition III.C.2 of this permit.
 - e. In any enforcement proceeding the permittee attempting to establish the occurrence of an emergency has the burden of proof.
2. An "emergency" means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventive maintenance, careless or improper operation, or operator error.

IV.L. Transfer of Ownership or Operation [40 CFR §71.7(d)(1)(iv), PSD permit SE 87-01 Condition VI]

- 1. A change in ownership or operational control of this facility may be treated as an administrative permit amendment if the EPA determines no other change in this permit is necessary and provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to EPA.
- 2. In the event of any changes in control or ownership of facilities to be constructed or modified, PSD permit SE 87-01 shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of this Approval to Construct/Modify and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator, the South Coast AQMD, and the Cabazon Band of Mission Indians.

IV.M. Off Permit Changes [40 CFR §71.6(a)(12)]

The permittee is allowed to make certain changes without a permit revision, provided that the following requirements are met:

- 1. Each change is not addressed or prohibited by this permit.
- 2. Each change must comply with all applicable requirements and may not violate any existing permit term or condition;
- 3. Changes under this provision may not include changes or activities subject to any requirement under Title IV or that are modifications under any provision of Title I of the Clean Air Act;

4. The permittee must provide contemporaneous written notice to EPA of each change, except for changes that qualify as insignificant activities under §71.5(c)(11). The written notice must describe each change, the date of the change, any change in emissions, pollutants emitted, and any applicable requirements that would apply as a result of the change.
5. The permit shield does not apply to changes made under this provision;
6. The permittee must keep a record describing all changes that result in emissions of any regulated air pollutant subject to any applicable requirement not otherwise regulated under this permit, and the emissions resulting from those changes.

IV.N. Permit Expiration and Renewal [40 CFR §71.5(a)(1)(iii), §71.6(a)(11), §71.7(b), §71.7(c)(1)(i) and (ii), §71.8(d)]

1. This permit shall expire upon the earlier occurrence of the following events:
 - a. up to twelve (12) years elapses from the date of issuance to a solid waste incineration unit combusting municipal waste subject to standards under section 129 of the Clean Air Act; or
 - b. for sources other than those identified in subparagraph IV.N.1.a above, five (5) years elapses from the date of issuance; or
 - c. the source is issued a part 70 permit by an EPA-approved permitting authority.
2. Expiration of this permit terminates the permittee's right to operate unless a timely and complete permit renewal application has been submitted on or before a date 6 months, but not more than 18 months, prior to the date of expiration of this permit.
3. If the permittee submits a timely and complete permit application for renewal, consistent with § 71.5(a)(2), but the permitting authority has failed to issue or deny the renewal permit, then the permit shall not expire until the renewal permit has been issued or denied and any permit shield granted pursuant to § 71.6(f) may extend beyond the original permit term until renewal.
4. The permittee's failure to have a Part 71 permit is not a violation of this part until EPA takes final action on the permit renewal application. This protection shall cease to apply if, subsequent to the completeness determination, the permittee fails to submit any additional information identified as being needed to process the application by the deadline specified in writing by EPA.
5. Renewal of this permit is subject to the same procedural requirements that apply to initial permit issuance, including those for public participation, affected State, and tribal review.
6. The application for renewal shall include the current permit number, description of permit revisions and off-permit changes that occurred during the permit term, any applicable

requirements that were promulgated and not incorporated into the permit during the permit term, and other information required by the application form.

IV.O. Malfunction [PSD permit SE 87-01 Condition IV]

The Regional Administrator shall be notified by telephone within 48 hours following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section II of these conditions. In addition, the Regional Administrator shall be notified in writing within fifteen (15) days of any such failure. This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section II of these conditions, and the methods utilized to restore normal operations. Compliance with this malfunction notification provision shall not excuse or otherwise constitute a defense to any violations of this permit or of any law or regulations which such malfunction may cause.

IV.P. Other Applicable Regulations [PSD permit SE 87-01 Condition VIII]

The permittee shall construct and operate this facility in compliance with all other applicable provisions of 40 CFR Parts 52, 60 and 61 and all other applicable Federal, State and local air quality regulations.

IV.Q. New Source Performance Standards [PSD permit SE 87-01 Condition IX.K]

The biomass-fired facility is subject to the Standards of Performance for New Stationary Sources (NSPS) 40 CFR 60, Subparts A, Db, and E, including all emissions limits and all notification, testing, monitoring, and reporting requirements.

IV.R. Agency Notifications [PSD permit SE 87-01 Condition X]

All correspondence as required by PSD permit SE 87-01 shall be forwarded to:

- A. Director, Air Division (Attn: AIR-1)
EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105
- B. Chief, Stationary Source Division
California Air Resources Board
P.O. Box 2815
Sacramento, CA 95814
- C. Air Pollution Control Officer
South Coast Air Quality Management District
21865 E. Copley Drive
Diamond Bar, CA 91765

Attachment A

“Monitoring and Enforcement Agreement”
May 10, 1989

Table 1 - Colmac Power Plant Emission Limits ^a					
Pollutant	Emission Limit	Averaging Period	Recalculation Interval	Reference ^b	Comments
SO ₂	27 ppm @ 3%O ₂	3-hr	hourly	IX.E IX.M	Previously 20 ppm @ 12%CO ₂ . Exempt during startup and shutdown as defined in EPA permit (see definition in Table 2). CEMS record required.
SO ₂	12.0 lb/hr	3-hr	hourly	IX.E.	CEMS record required.
SO ₂	70 tons/yr	annual	daily	IX.E.	Total for both boilers
SO ₂	1.2 lb/MMBtu and 10% of uncontrolled emission rate	30-day	daily	40 CFR 60.42b, 60.47b Subpart Db	Cannot exceed both limits at the same time. That is, must always meet one or the other. Limit is based on coke portion only. Suggest using all SO ₂ emissions divided by coke heat input to show worst-case lb/MMBtu ≤ 1.2. <u>Not</u> exempt during startup, shutdown, or malfunction. Compliance virtually assured by meeting IX.E. See footnote c below regarding calculation. CEMS record required.
TSP	0.010 gr/dscf @ 12%CO ₂	3-hr	source test only	IX.F.	No CEMS required.
TSP	7.5 lb/hr	3-hr	source test only	IX.F.	No CEMS required.
TSP	0.10 lb/MMBtu	not specified	source test only	40 CFR 60.43b, 60.46b Subpart Db	Requirement triggered by pet coke - considered same as coal in Subpart Db. Standard is equivalent to about 0.045 gr/dscf @ 12% CO ₂ - compliance assured by meeting IX.F. Exempt during startup, shutdown, or malfunction as defined in subpart Db (see definition in Table 2). No CEMS required.
Opacity	10 %	3-min aggregate	hourly	IX.F. IX.J	Assume Ringelmann ½ or equivalent for 10 percent. Three minute aggregate is within any hour. Transmissometer required.
Opacity	20 %	6-min	hourly	40 CFR 60.43b, 60.46b Subpart Db	Allows one 6-min period per hour at ≤ 27%. 20% is Ringelmann 1. Requirement triggered by pet coke. Compliance assured by meeting IX.F. Exempt during startup, shutdown, or malfunction (see definition in Table 2). Continuous monitoring record required.

Table 1 - Colmac Power Plant Emission Limits ^a					
Pollutant	Emission Limit	Averaging Period	Recalculation Interval	Reference ^b	Comments
CO	231 ppm @3%O ₂	3-hr	hourly	IX.G. IX.M	Previously 173 ppm @ 12%CO ₂ . Exempt during startup and shutdown as defined in EPA permit (see definition in Table 2). CEMS record required.
CO	45.0 lb/hr	3-hr	hourly	IX.G.	CEMS record required.
NO _x	94 ppm @3%O ₂	3-hr	hourly	IX.H. IX.M	Previously 70 ppm @ 12%CO ₂ . Exempt during startup and shutdown as defined in EPA permit (see definition in Table 2). CEMS record required.
NO _x	30 lb/hr	3-hr	hourly	IX.H.	Need 27 lb/hr average to meet daily limit. CEMS record required.
NO _x	648 lb/day	24-hr	daily	IX.H.	Limit is per calendar day. CEMS record required.
NO _x	0.30 lb/MMBtu	30-day	daily	40 CFR 60.44b Subpart Db	Technically, the limit may be higher when firing pet coke; but stick with 0.30 lb/MMBtu. Requirement triggered by pet coke. <u>Not</u> exempt during startup, shutdown, or malfunction. Compliance virtually assured by meeting IX.H. See footnote c below regarding calculation. CEMS record required.
Hydro-carbons	10.1 lb/hr	3-hr	source test only	IX.I.	No CEMS required.
Stack Gas Volumetric Flow Rate	none			IX.J.	CEMS record required
O ₂ and CO ₂	none			IX.J, 40 CFR 60 Appendix B Spec. 3	O ₂ needed for ppm adjustment. CEMS record required. Keep O ₂ in record for completeness.
^a All emission limits are <u>per boiler</u> unless otherwise specified. ^b Refers to EPA permit Special Conditions (IX) unless otherwise specified. ^c For lb/MMBtu calculations, use upper limit stoichiometric dry fuel factor (F _d) of 10,000 dscf/MMBtu at 0% O ₂ (from pet coke) as a worst-case. Calculation can also be done with CO ₂ fuel factor (F _e) of 1920 scf CO ₂ /MMBtu. F _d is recommended due to recent change in permitted ppm limits to an O ₂ basis.					

Table 2 - Definitions for start-up, shutdown and malfunction:

EPA permit definitions for start-up and shutdown (Condition IX.M)

"Start-up is defined as the period of time during which the boiler is heated to operating temperature at a steady state load from a lower temperature, not to exceed 36 hours. If curing of refractory is required after repair or modifications, start-up time shall not exceed 60 hours. Operating temperature indicating steady state load shall be indicated by the temperature at the outlet of the recycle cyclone reaching 1550 degrees Fahrenheit for a period of at least 5 minutes."

"Shutdown is defined as the period of time, not to exceed 8 hours, during which the boiler is allowed to cool from its operating temperature at steady-state load to a lower temperature."

Subpart Db definitions for start-up, shutdown and malfunction (40 CFR 60.2)

"Startup means the setting in operation of an affected facility for any purpose."

"Shutdown means the cessation of operation of an affected facility for any purpose."

"Malfunction means any sudden unavoidable failure of air pollution control equipment or process equipment or of a process to operate in a normal or usual manner. Failures that are caused entirely or in part by poor maintenance, careless operation, or any other preventable upset condition or preventable equipment breakdown shall not be considered malfunctions."

MONITORING AND ENFORCEMENT AGREEMENT

COLMAC ENERGY, INC.

MECCA BIOMASS PLANT

RIVERSIDE COUNTY, CALIFORNIA

MAY 10, 1989

**Colmac Energy, Inc. Biomass-Fueled Energy Project
Cabazon Indian Reservation**

Monitoring and Enforcement Agreement

RECITALS

WHEREAS, on March 10, 1987, Colmac Energy, Inc. ("Colmac") applied to the United States Environmental Protection Agency ("EPA") for an authority to construct and operate a biomass-fueled energy project ("the Project") to be located on the Reservation of the Cabazon Band of Mission Indians near Mecca, Riverside County, California ("the Reservation");

WHEREAS, the South Coast Air Quality Management District ("SCAQMD") acknowledges that, except as provided in this Agreement, current statutory and case law regarding District permitting and enforcement authority on an Indian reservation is complex and implies a lack of such authority with regard to the activities occurring on the Cabazon Reservation;

WHEREAS, in recognition of that situation, SCAQMD, acting through its District Counsel, agreed with Colmac on January 22, 1987, to accept a permitting protocol developed in cooperation with EPA and Colmac recognizing that the EPA would act as the sole permit issuing agency for the Colmac Project;

WHEREAS, the SCAQMD's acceptance of the permitting protocol was founded upon the assumption that the Colmac Project would meet the substantive provisions of the SCAQMD rules and regulations which would otherwise apply if the Project were not located on the Reservation;

WHEREAS, the SCAQMD participated in the EPA permit process, including numerous meetings with Colmac, EPA, the California Air Resources Board (ARB) and others concerning the appropriate emission limitations, best available control technology, offsets and other provisions of the permit;

WHEREAS, on June 28, 1988, EPA issued a final permit ("the EPA permit"), under authority granted to EPA by the Clean Air Act, to Colmac authorizing Colmac to construct and operate the proposed Project (hereinafter referred to as the "Facility" or the "Project") subject to certain conditions regarding emission limitations, monitoring, reporting, entry and inspection, source testing, offsets and other matters;

WHEREAS, the County of Riverside (County) and the Coachella Valley Association of Governments (CVAG) petitioned the Administrator for review of the permit on July 28, 1988;

WHEREAS, the EPA Administrator denied the petition on December 12, 1988, and the permit remains in full force and effect;

WHEREAS, the County and CVAG have expressed their concerns that the present plan for offsetting emissions from the Facility by purchasing agricultural waste from Imperial County and the Palo Verde area will not sufficiently maintain or improve air quality within the Coachella Valley area;

WHEREAS, the SCAQMD acknowledges that the offsets to be provided by Colmac pursuant to the EPA permit meet the requirements of the ARB/CAPCOA Protocol dated June 21, 1984, as interpreted for application to biomass-to-energy projects for which applications for permits to construct were deemed complete prior to June 9, 1988. That protocol was approved by the Air Resources Board in accordance with Health and Safety Code Section 41605.5. SCAQMD further acknowledges that the EPA determined the date of completeness of Colmac's application to be June 10, 1987. The County and CVAG accept SCAQMD's acknowledgement as correct;

WHEREAS, Colmac has agreed to contribute to a Coachella Valley Air Quality Enhancement Fund to be established and administered by the County of Riverside, in consultation with the SCAQMD and CVAG, which fund will be used to finance or subsidize air quality improvement projects in the Coachella Valley for the purpose of achieving emission reductions which would result in air quality improvements in the Coachella Valley and which reductions could be substituted for certain emission offsets provided by reductions in open field burning as required by the EPA permit;

WHEREAS, the SCAQMD has expressed its concern that location of the Project on the Reservation removes the Project from the jurisdiction and regulatory control of the SCAQMD and has requested evidence and additional assurance from Colmac that it will comply with SCAQMD requirements regarding emission levels, offsets, and best available control technology;

WHEREAS, Colmac has expressed its willingness to agree that the provisions of the EPA permit may be monitored and enforced by the SCAQMD pursuant to this Agreement;

WHEREAS, counsel and representatives of EPA, SCAQMD, Colmac, the Cabazon Band, the County of Riverside and CVAG have met and conferred regarding the provisions of an agreement which could provide such assurances;

WHEREAS, the intent of the parties is that this Agreement shall establish a monitoring and enforcement procedure that is in material respects equivalent to the procedures and remedies which would otherwise be available and applied to sources subject to SCAQMD jurisdiction; and

WHEREAS, the parties agree that monitoring, enforcement or other regulatory actions of the SCAQMD or its Board with regard to the Colmac Project and the Cabazon Band should not be discriminatory and are intended to be neither more nor less stringent than applied to sources normally and otherwise subject to SCAQMD jurisdiction;

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises set forth below, the parties hereto agree as follows:

1. Colmac agrees to comply with the requirements listed in Attachment 1 hereto, the provisions of the EPA permit (including but not limited to provisions relating to emission controls, Best Available Control Technology, and offsets) and rules adopted or amended by SCAQMD in the future which meet the requirements of paragraph 5. SCAQMD acknowledges that such compliance is substantially and sufficiently equivalent to compliance with the substantive requirements of the rules and regulations of the SCAQMD and applicable provisions of the Health and Safety Code.

2. EPA intends to appoint the Executive Officer of the SCAQMD or his designated representative as the authorized representative of EPA for purposes of exercising the authorities regarding monitoring, entry and inspection set forth in paragraph V and other applicable provisions of the EPA permit. Such delegation shall be consistent with the current SCAQMD/EPA Enforcement Agreement.

3. Following appointment of SCAQMD as set forth in paragraph 2, the Cabazon Band agrees to allow entry onto the Reservation by SCAQMD staff acting as authorized representatives of EPA solely for purposes of conducting customary monitoring and inspection activities related to enforcement of the terms of the EPA permit and other requirements set forth in paragraph 1 of this Agreement for the Colmac Project. SCAQMD will provide EPA, Colmac, and the Cabazon Band with a list of identified personnel authorized to carry out duties requiring entry onto the Reservation. Only listed personnel (including consultants under contract to the SCAQMD performing source testing duties) of the SCAQMD shall be authorized to enter the Reservation for inspections carried out by the SCAQMD. Only personnel customarily assigned engineering evaluation, enforcement authority or source emissions testing duties shall be so listed. Inspections shall be preceded by reasonable notice to the Cabazon Band and Colmac if such notice would ordinarily be given to operators of industrial facilities subject to an SCAQMD Permit to Construct or Permit to Operate. Nothing in this paragraph shall be construed to prevent or prohibit unannounced, surprise inspections to the extent that such inspections are the customary practice of SCAQMD.

4. In the event the SCAQMD determines, based upon monitoring reports, authorized inspections, or other evidence, that one or more provisions of the EPA permit, or of the requirements listed in Attachment 1 hereto, or any other rule or regulation applicable to the Project pursuant to paragraph 5, may have been violated, the SCAQMD may proceed to issue a notice of violation and take enforcement action against Colmac in the same manner and pursuant to the same policies, including the policies in the applicable SCAQMD/EPA Enforcement Agreement, as it would ordinarily follow in the case of violations established for permitted industrial sources subject to SCAQMD jurisdiction. SCAQMD agrees that Colmac shall be able to utilize all administrative consultation and appeals procedures, including applications for variances and interim variances, that are otherwise available to similar or analogous industrial sources subject to SCAQMD jurisdiction. The SCAQMD shall assert any nuisance violations in accordance with the same policies, procedures, and limitations that the SCAQMD customarily applies to such violations. Nothing herein is intended to authorize the SCAQMD to take action to revoke or suspend the EPA permit, provided, however, that SCAQMD may request EPA to revoke the permit in accordance with EPA procedures regarding permit revocation based upon a violation of the EPA permit.

5. Colmac agrees to comply with new or amended regulations of the SCAQMD which result in required reductions in emissions from any article, machine, equipment, or contrivance within the Project provided that the new or amended rule:

- (A) does not discriminate against Colmac or the Cabazon Band and is applicable to, or no more stringent than other rules applicable to, other similar or analogous stationary sources subject to the SCAQMD jurisdiction, and
- (B) is necessary for the attainment or maintenance of state or federally mandated air pollution requirements in the Southeast Desert Air Basin; and

(C) does not relate to emission offsets or type of fuel burned in the Facility, and

(D) recognizes and fairly considers Colmac's prior investment in basic and control equipment by including a schedule for compliance with the rule requirements which reflects a consideration of the adverse effect on the ability of Colmac to amortize the capital costs of basic and pollution control equipment purchased and installed within the preceding five years.

6. SCAQMD intends to propose and consider adoption of a rule requiring persons operating equipment pursuant to an EPA permit heretofore or hereafter granted by EPA to comply at all times with the conditions contained in that permit. If such rule is adopted, SCAQMD may directly enforce the EPA permit issued to Colmac Energy, Inc., as set forth below in paragraphs 7 and 8. Colmac and the Cabazon Band hereby agree not to oppose the adoption and implementation of such a rule. If the rule is not adopted, SCAQMD will be allowed to enforce to EPA permit only indirectly, through citizen suit provisions of Section 304 of the Clean Air Act, or such other remedies as Congress may hereafter provide.

7. It is agreed by the parties that judicial enforcement of violations by SCAQMD shall be conducted in the following manner:

(A) SCAQMD agrees that it will apply its enforcement action commencement and settlement policies to the Colmac Project in a manner that does not improperly discriminate against the Project or the Cabazon Band relative to other similar or analogous sources, and in a manner which is consistent with the SCAQMD/EPA Enforcement Agreement.

(B) Except in the case of a request for a temporary restraining order to require a non-compliant activity to cease, SCAQMD shall provide to the Cabazon Band of Mission Indians at least 10 days prior notice of intent to file any action in state court against Colmac.

(C) The parties hereto acknowledge that this Agreement is executed in the County of Los Angeles, except as to the Cabazon Band, which has executed this agreement within the Cabazon Reservation, and that any action by SCAQMD to enforce any provision of this Monitoring and Enforcement Agreement, any provision of the EPA permit, or any rule or regulation of the SCAQMD applicable pursuant to this Agreement, shall be brought in the Municipal or Superior Court (as applicable) in and for the County of Los Angeles. No party to this Agreement may plead any objection to the jurisdiction of that court or the propriety of the venue in the County of Los Angeles, or petition a federal court for removal of such action.

(D) Nothing herein limits whatsoever rights the Cabazon Band may have to remove an enforcement action to federal court provided that the following conditions are met:

(1) that such removal is limited solely to challenging the validity of the application to the Colmac facility of any rule, regulation, or standard not in effect at the time this agreement became effective, and

(2) such removal is based upon the allegation that the rule, regulation, or standard illegally infringes upon rights held by the Cabazon Band pursuant to its lease with Colmac or pursuant to its federally guaranteed tribal sovereignty.

(E) In the event that the applicable court in and for the County of Los Angeles will not hear such action, then the parties to such action agree to stipulate to the cause being heard by a temporary judge in the County of Los Angeles pursuant to Article 6, Section 21 of the California Constitution and Rule 244 of the California Rules of Court. In the event the procedure provided by those provisions is made unavailable by acts of the courts or the legislature, it is the intent of the parties to agree on a method of dispute resolution that will assure all parties a fair and impartial hearing by a neutral judge or presiding officer. If the parties are unable to agree upon such a judge or presiding officer, then the matter shall be referred to binding arbitration pursuant to Code of Civil Procedure Section 1280, et seq.

(F) SCAQMD agrees that no enforcement actions will be sought against the Cabazon Band under this Agreement. Nothing in this Agreement shall be interpreted to preclude intervention by the Cabazon Band in any enforcement action instituted by any of the parties hereto, subject to the other provisions of this paragraph. Neither Colmac nor the Cabazon Band shall assert that the SCAQMD's failure to name the Cabazon Band or the United States as a party in an enforcement action renders such action defective, nor shall the Cabazon Band or Colmac assert the sovereign immunity of the Cabazon Band or the United States as a defense to an enforcement action brought against Colmac by the SCAQMD pursuant to this Agreement or to any other action to enforce the terms of this Agreement.

8. Colmac and the Cabazon Band of Mission Indians hereby consent to the SCAQMD exercise of the following authorities, with the limitation that such authorities may be exercised solely against Colmac Energy, Inc., its officers and employees, for matters arising from non-compliance of the Colmac Facility with conditions of its EPA permit or SCAQMD rules which may be applicable pursuant to paragraph 5:

(A) orders for abatement as provided by Health and Safety Code Sections 42450-42452,

(B) actions for civil penalties as provided in Health and Safety Code Sections 42401-42403 and Sections 42404 and 42405,

(C) actions for criminal penalties as provided in Health and Safety Code Sections 42400-42400.2,

(D) actions for injunctive relief pursuant to Health and Safety Code Section 41513 or Sections 42453 and 42454.

The statute of limitations applicable to actions brought hereunder shall be the same as would otherwise apply to enforcement actions instituted by the SCAQMD against persons or activities not located on the Reservation. Except as SCAQMD authority may be imposed upon Colmac and the Project pursuant to this Agreement, this Agreement shall in no way be construed to grant SCAQMD, the State of California, the County, or CVAG, any jurisdiction, rule applicability, permitting, taxation, or other authority over the Cabazon Band of Mission Indians or its members, or activities, equipment, enterprises or other ventures located or conducted on the Reservation by the Cabazon Band of Mission Indians, the members thereof, or others.

9. (A) Colmac acknowledges that the purpose of this Agreement is to allow the SCAQMD to assure that the Facility will be constructed and operated in accordance with the EPA permit and District rules applicable pursuant to this Agreement, not merely to authorize the District to take action against the corporate entity named Colmac Energy, Inc. For that reason, Colmac expressly agrees that the provisions of this Agreement shall apply to any successors in interest or co-owners or co-operators of the Facility, except as applied to the Cabazon Band as set forth below in subparagraph b. Colmac agrees to make compliance with and consent to the conditions of this Agreement a condition of any transfer or sharing of ownership or operation, and acknowledges that the SCAQMD, County, and CVAG are third party beneficiaries of any agreement to transfer or share control, ownership, or operation of the Facility to the extent that such transfer affects the matters covered by this agreement.
 - (B) In the event that the Cabazon becomes a successor in interest, co-owner of a majority interest in the Facility, or operator in fact of the Facility, Cabazon agrees:
 - (1) that the substantive standards, monitoring and inspection provisions of this Agreement shall remain in full force and effect and will be binding on the Cabazon Band, and
 - (2) that in lieu of the enforcement procedures set forth in this Agreement, the Parties will negotiate in good faith to establish mutually acceptable enforcement procedures that will thereafter apply to the Cabazon Band's ownership or operation of the facility.
 - (C) In the event that the Cabazon Band becomes co-owner with less than 50% ownership, or is not the operator in fact of the facility, Cabazon agrees that the provisions of this Agreement remain in full force and effect and are binding on the Project.
10. SCAQMD agrees:
- (A) not to assert permitting authority over the Project, or any modifications thereto, unless such permitting authority is granted by a future action of Congress.
 - (B) that in the event permitting authority may be asserted over the Project pursuant to subparagraph (A) above, the Project will be treated as an existing source constructed pursuant to a valid permit to construct,

and not subject to review as a new source under SCAQMD new source review rules. Except as necessary to comply with the provisions of paragraphs 13, 15, and/or 16, Colmac agrees that any amendment or modification to the permit previously issued by the Administrator will comply with those SCAQMD rules and regulations which are applicable to the Colmac project pursuant to this Agreement. Colmac further agrees to notify and consult with the SCAQMD with respect to any request to modify or amend the EPA permit. EPA agrees to consider the comments of the SCAQMD and Colmac's assurances under this Agreement prior to taking action with respect to any modification or amendment to the permit.

11. Colmac agrees to reimburse the SCAQMD for monitoring and inspection activities pursuant to this Agreement by the payment of fees to the SCAQMD (except fees relating to the filing of applications for and evaluation of permits to construct or operate). The amounts to be paid shall be the same as would be charged by SCAQMD to any other facility not located on the Reservation, including fees as set forth in SCAQMD Rules 301, 301.1, 301.2, 303, 304, 304.1, 305, 306, and 307, as amended from time to time, and such other fee rules of general applicability as may be adopted in the future.

12. Notwithstanding the provisions of this Agreement, EPA retains and may exercise whatever authority it has under the Clean Air Act, including but not limited to, its authority regarding monitoring, inspection, and enforcement or other matters covered by this Agreement. Once the delegation described in paragraph 2 above is complete, EPA intends that its exercise of enforcement authority with respect to the project will be consistent with the applicable SCAQMD/EPA Enforcement Agreement.

13. Colmac will fund a Coachella Valley air quality enhancement program fund ("enhancement fund") to compensate for effects on Coachella Valley air quality caused by operation of the Colmac Facility. The County, in consultation with CVAG and SCAQMD, will identify and develop measures which will contribute to maintenance and enhancement of Coachella Valley air quality, and will administer the program. Colmac shall contribute to the fund as follows:

- (A) For a ten year period, Colmac will pay \$250,000.00 per year to the enhancement fund from operational cash flow, commencing on the last day of the first full year of operation of the Facility. ~~These sums will be paid in lieu of offsets derived from that portion of agricultural waste originating from outside of the Coachella Valley which Colmac has contracted to purchase pursuant to contractual provisions which permit Colmac to terminate such purchases at will.~~
- (B) Colmac further agrees to contribute a portion of its avoided transportation costs for facility fuel obtained through a landfill diversion program, as follows:
 - (1) On the condition that Riverside County assists Colmac in establishing a Coachella Valley landfill diversion program for appropriate fuels, Colmac agrees to obtain wood wastes that would otherwise have been disposed of in Coachella Valley landfills. Colmac shall take all measures necessary to ensure that wood wastes obtained pursuant to the landfill diversion program meet the requirements of Section IX D (2) of the permit. Colmac anticipates that it will substitute this land fill

wood waste for wood wastes that it otherwise would have obtained from more distant locations. Colmac further anticipates that this substitution will produce net transportation cost savings, which it estimates will total at least \$100,000.00 per year during the first ten years of the Facility's operation.

- (2) Colmac agrees that it will contribute to the enhancement fund fifty percent (50%) of this transportation cost savings per year for a ten year period. Colmac shall maintain records detailing the cost savings described above and present them annually to the County. Colmac and the County shall confer to determine the amount of annual net transportation cost savings. Payments shall be made at the same time payment is made under subparagraph 13(A).

- (3) In calculating the net transportation cost savings, the parties shall be guided by the following understanding:

(a) Colmac presently intends to obtain approximately 80,000 tons of offset agricultural waste per year from Imperial County. Should Colmac obtain less than 80,000 tons per year, it shall be understood that Colmac replaced that reduction in Imperial County purchases by obtaining wood waste that would otherwise be disposed of at Coachella Valley landfills. Thus, net transportation cost savings shall mean the highest transportation cost per ton of delivering agricultural waste from Imperial County less the average transportation cost per ton of delivering wood waste diverted from Coachella Valley landfills, multiplied by the amount of fuel obtained from the landfills.

- (b) Colmac also presently intends to purchase wood waste from Los Angeles and Riverside counties. Should Colmac obtain more wood waste through diversion from Coachella Valley landfills than the amount needed to replace its reduced purchases of fuel from Imperial County pursuant to subparagraph (a), it shall be understood that the amount by which the fuel diverted from the landfills exceeds this reduction in Imperial County fuel has replaced an equivalent amount of wood waste from vendors in Los Angeles and Riverside counties. Thus, the transportation cost savings associated with this amount of fuel shall mean the cost per ton of obtaining this amount of fuel from the location with the highest transportation costs in Los Angeles and Riverside counties, less the average transportation costs per ton of delivering the wood waste diverted from the Coachella Valley landfills, multiplied by the amount of such fuel obtained from the landfills.

(c) In calculating the amounts of fuel in subparagraphs (a) and (b), the parties shall translate tonnage into energy content, so that different types of fuel may be compared on the basis of energy content rather than weight.

(C) Should a dispute arise concerning an amount payable by Colmac pursuant to subparagraph 13(B), the parties shall refer the matter to binding arbitration pursuant to Code of Civil Procedures 1280 et seq. or another dispute resolution mechanism agreed upon by Colmac and the County.

14. Colmac agrees to use its best efforts to acquire, through agreements negotiated with farmers located in the Coachella Valley, agricultural waste that would otherwise have been burned in the open field, but could, consistent with sound agricultural practices, be obtained by Colmac and burned in the Colmac Facility. The County agrees to assist Colmac in its local efforts by directly encouraging farmers to provide, under appropriate terms, access by Colmac to agricultural waste that would otherwise have been burned in the open field.

15. The parties agree not to oppose a modification of the EPA permit as may be necessary to permit Colmac to reduce that portion of agricultural waste open field burning offsets from Imperial County and Palo Verde Valley for which contracts can be terminated by Colmac at will. Colmac shall substitute for that reduction in the required offsets a ten year annual payment of \$250,000.00 as set forth in paragraph 13(A) of this Agreement. The parties also agree not to oppose a modification of the EPA permit to reduce allowable emissions from the project to reflect actual project emissions. If allowable emissions are reduced, required offsets may also be appropriately reduced, except that the payments required by paragraph 13 shall not be reduced.

16. The parties agree that at the end of the ten year period, Colmac will continue to fully offset emissions from the Project. The offset requirements applicable to the Facility may, at Colmac's option, be satisfied through a combination of some or all of the following:

- (A) obtaining of agricultural waste originating from within Coachella Valley consistent with limitations for such purchases set forth in paragraph 14;
- (B) to the extent that agricultural waste is not available within the Coachella Valley, obtaining of agricultural waste originating outside of Coachella Valley;
- (C) continued funding of the air quality enhancement program described in paragraph 13; and
- (D) other means of validly offsetting emissions from the Project.

In the event that at the end of ten years Colmac provides offsets only as described in Options (A) and (B) of this paragraph, the permit shall be modified to reinstate the offset provisions in the permit as originally issued. To the extent that offsets continue to be provided pursuant to Option (C), contribution to an enhancement fund, such payments shall be made in lieu of offsets in the same manner as established by paragraph 13 of this Agreement. To the extent that offsets are provided by Option (D), other means of validly

offsetting the project, such offsets shall conform to EPA and SCAQMD rules and regulations relating thereto, which would apply to a similar project for which the application was deemed complete on June 10, 1987, and for which the permit to construct was issued June 28, 1988. In the event that Option (C) or (D) is followed, the parties agree not to oppose such permit modifications as are necessary to reflect the chosen offset package.

17. The SCAQMD agrees to withdraw any further objection to the previously issued EPA permit and its provisions and agrees not to participate in or support any litigation or proceeding challenging or seeking to change or set aside the permit or the Project. Furthermore, SCAQMD agrees to release, acquit, and discharge Colmac and its employees, officers, and directors from all liabilities, claims, causes of action, damages, and costs (including cost of suit and attorney's fees and expenses) arising out of facts known, or which should have reasonably been ascertained, prior to the date of execution of this Agreement, concerning any and all disputes over the development of the Colmac facility. Nothing in this paragraph shall be construed as preventing the SCAQMD from challenging any future modifications to that permit, unless such modifications are consistent with and meet the applicable requirements of paragraphs 10, 13, 15, and 16 of this Agreement.

18. The County and CVAG agree to withdraw any further objection to the EPA permit and its provisions; agree to withdraw their petition for review of the issuance of that permit; agree to forego any further challenge to the Decision No. 89-04-081 of the CPUC in proceeding No. 87-11-013, and to not appeal that decision. The County and CVAG further agree, to the extent that such cause arises from facts known, or which should have reasonably been ascertained, prior to the date of execution of this Agreement, not to institute any further administrative or judicial proceeding related to government approvals necessary for construction and operation of the Project consistent with this Agreement. Furthermore, the County and CVAG agree to release, acquit, and discharge Colmac and its employees, officers, and directors from all liabilities, claims, causes of action, damages, and costs (including cost of suit and attorney's fees and expenses) arising out of facts known, or which should have reasonably been ascertained, prior to the date of execution of this Agreement, concerning any and all disputes over the development of the Colmac facility. Nothing in this paragraph prevents the County and/or CVAG from challenging any future modifications to the previously issued EPA permit, unless such modifications are consistent with and meet the requirements of paragraphs 10, 13, 15, and 16 of this Agreement.

19. Colmac agrees to release, acquit, and discharge the SCAQMD, the County, CVAG and the present and past officials of these entities, from all liabilities, claims, causes of action, damages, and costs (including costs of suit and attorney's fees and expenses) arising out of facts known, or which should have reasonably been ascertained, prior to the date of execution of this Agreement, concerning any and all disputes over the regulatory and permitting approval of the Colmac facility.

20. If any action (except for enforcement actions filed by SCAQMD) is filed to enforce any provision of this Agreement, the prevailing party or parties shall be entitled to recover reasonable attorney's fees in addition to any other relief to which it may be entitled. Each party was represented by an attorney in the negotiation and execution of this Agreement.

21. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

22. The term of this Agreement shall be for, and this Agreement shall be operative for, the duration of operation of the Project. This agreement shall be effective upon the

latest date of execution by the SCAQMD, Colmac, the County, CVAG, and the Cabazon Band. The parties agree to work together in good faith to secure the execution of or consent to the Agreement by the EPA. The parties also agree to work together in good faith to secure the consent of the Bureau of Indian Affairs of the U.S. Department of the Interior (BIA) to this Agreement, to the extent that such consent is determined by the Parties and the BIA to be necessary or appropriate.

23. This Agreement may be amended only upon the written consent of all the parties hereto.

24. This Monitoring and Enforcement Agreement contains the entire agreement of the parties hereto with respect to the matters covered by this Monitoring and Enforcement Agreement, and no other statement, agreement, or promise made by any party, officer, or agent of any party shall be valid or binding.

25. Each of the undersigned represents to each of the other parties that (s)he is duly authorized and has the authority to execute this agreement on behalf of the party for whom (s)he is signing.

ACKNOWLEDGED AND AGREED TO BY THE FOLLOWING PARTIES:

South Coast Air Quality Management District, by:

(Name)
(Title)

(Date)

Colmac Energy, Inc., by:

(Name)
(Title)

(Date)

Cabazon Band of Mission Indians, by:

(Name)
(Title)

(Date)

County of Riverside, by:

(Name)
(Title)

(Date)

Coachella Valley Association of Governments, by:

Patricia A. Larson
(Name) PATRICIA A. LARSON,
(Title) Chairman Coachella Valley Association
of Governments

MAY 16 1989

(Date)

ACKNOWLEDGED AND AGREED TO BY THE FOLLOWING PARTIES:

South Coast Air Quality Management District, by:

(Name)
(Title)

(Date)

Colmac Energy, Inc., by:

(Name)
(Title)

(Date)

Cabazon Band of Mission Indians, by:

(Name)
(Title)

(Date)

County of Riverside, by:

Kay Cenicerós
(Name) KAY CENICEROS,
(Title) Chairman, Board of Supervisors
of the County of Riverside

May 18, 1989
(Date)

Coachella Valley Association of Governments, by:

(Name)
(Title)

(Date)

ACKNOWLEDGED AND AGREED TO BY THE FOLLOWING PARTIES:

South Coast Air Quality Management District, by:

(Name)
(Title)

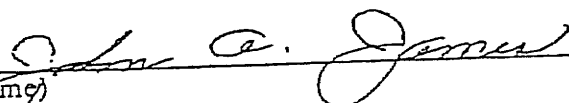
(Date)

Colmac Energy, Inc., by:

(Name)
(Title)

(Date)

Cabazon Band of Mission Indians, by:


(Name)
(Title) Tribal Chairman

May 15, 1989

(Date)

County of Riverside, by:

(Name)
(Title)

(Date)

Coachella Valley Association of Governments, by:

(Name)
(Title)

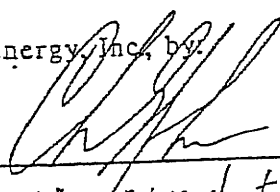
(Date)

ACKNOWLEDGED AND AGREED TO BY THE FOLLOWING PARTIES:

South Coast Air Quality Management District, by:

(Name)
(Title) _____ (Date)

Colmac Energy, Inc. by:



(Name)
(Title) *Vice president* _____ (Date) *5/10/89*

Cabazon Band of Mission Indians, by:

(Name)
(Title) _____ (Date)

County of Riverside, by:

(Name)
(Title) _____ (Date)

Coachella Valley Association of Governments, by:

(Name)
(Title) _____ (Date)

ACKNOWLEDGED AND AGREED TO BY THE FOLLOWING PARTIES:

South Coast Air Quality Management District, by:

[Signature]
(Name)
(Title) Chairman

5-22-89

(Date)

APPROVED AS TO FORM

[Signature]
CORTIS L. COLEMAN DATE 5-16-89

DISTRICT COUNSEL, SCAQMD

Colmac Energy, Inc., by:

(Name)
(Title)

(Date)

Cabazon Band of Mission Indians, by:

(Name)
(Title)

(Date)

County of Riverside, by:

(Name)
(Title)

(Date)

Coachella Valley Association of Governments, by:

(Name)
(Title)

(Date)

The following agencies, though not parties, have reviewed this agreement and do not object to its terms:

U.S. Department of the Interior,
Bureau of Indian Affairs, by:

(Name)
(Title)

(Date)

United States Environmental Protection Agency, by:

(Name)
(Title)

David H. Howel
DIRECTOR, AIR & TOXICS DIV

6/1/89

(Date)

ACKNOWLEDGED AND AGREED TO BY THE FOLLOWING PARTIES:

South Coast Air Quality Management District, by:

(Name)
(Title)

(Date)

Colmac Energy, Inc., by:

(Name)
(Title)

(Date)

Cabazon Band of Mission Indians, by:

(Name)
(Title)

(Date)

County of Riverside, by:

(Name)
(Title)

(Date)

Coachella Valley Association of Governments, by:

(Name)
(Title)

(Date)

The following agencies, though not parties, have reviewed this agreement and do not object to its terms:

U.S. Department of the Interior,
Bureau of Indian Affairs, by:

(Name)
(Title)

(Date)

United States Environmental Protection Agency, by:

(Name)
(Title)

(Date)

ATTACHMENT 1

RULES WHICH APPLY TO COLMAC BIOMASS-TO-ENERGY PROJECT [as of June 28, 1988]

Rule 102 - Definition of Terms
Rule 103 - Definition of Geographical Areas
Rule 104 - Reporting of Source Test Data and Analyses
Rule 105 - Authority to Arrest
Rule 106 - Increments of Progress
Rule 217 - Provision of Sampling and Testing Facilities
Rule 218 - Stack Monitoring
Rule 401 - Visible Emissions
Rule 402 - Nuisance
Rule 403 - Fugitive Dust
Rule 404 - Particulate Matter - Concentration
Rule 405 - Solid Particulate Matter - Weight
Rule 407 - Liquid and Gaseous Air Contaminants
Rule 408 - Circumvention
Rule 409 - Combustion Contaminants
Rule 430 - Breakdown Provisions
Rule 431 - Sulfur Content of Fuels
Rule 431.1 - Sulfur Content of Gaseous Fuels
Rule 431.2 - Sulfur Content of Liquid Fuels
Rule 442 - Usage of Solvents
Rule 443 - Labeling of Solvents
Rule 433.1 - Labeling of Materials Containing Organic Solvents
Rule 444 - Open Fires
Rule 473 - Disposal of Solid and Liquid Wastes
Rule 475 - Electric Power Generating Equipment
Rule 476 - Steam Generating Equipment

SCAQMD REGULATIONS WHICH APPLY TO COLMAC

SCAQMD Regulation V - Procedure Before the Hearing Board
SCAQMD Regulation VII - Emergencies
SCAQMD Regulation VIII - Orders of Abatement
SCAQMD Regulation IX - New Source Performance Standards
(As applicable to Colmac facility)
SCAQMD Regulation X - National Emission Standards for Hazardous Air Pollutants
(As applicable to activities at Colmac facility)

CALIFORNIA HEALTH AND SAFETY CODE SECTIONS WHICH APPLY TO COLMAC

Section 41700
Section 41701
Section 41702
Section 41704
Section 42301.5 (except as provided in paragraph 5)
Section 42303
Sections 42350-42364

ATTACHMENT B
MONITORING AND ENFORCEMENT

ATTACHMENT B
MONITORING AND ENFORCEMENT PROGRAM
FOR MITIGATION MEASURES IN EIS

1.0 Water Resources

- 1.1 Colmac shall conduct quarterly laboratory analysis of its industrial wastewater to include pH and the following constituents:

Total Dissolved Solids	Arsenic
Sulfates	Barium
Iron	Cadmium
Copper	Lead
Chloride	Mercury
Manganese	Selenium
Zinc	Silver
Total Chromium	

or any other chemical which the Colorado River Regional Water Quality Board shall reasonably recommend. These analyses shall be forwarded to the Colorado River Regional Water Quality Board.

- 1.2 Well drilling plans shall be checked and approved by a qualified member of the BIA/Cabazon independent Construction Monitoring Team. Well drilling shall be in accordance with such approvals.

- 1.3 Pumping rates of wells shall be approved by a qualified member of the BIA/Cabazon independent Construction Monitoring Team, based on test well data.

- 1.4 Colmac shall provide well production data to the Coachella Valley Water District annually.

- 1.5 Colmac shall annually test underground aquifers and project area soils for selenium and other toxics, and report such findings to the Colorado River Regional Water Quality Board.

- 4.2 Plans for the onsite fire protection system, to include dust suppression sprays for fuel storage areas and dust control measures for fuel handling systems, shall be approved by a fire safety specialist on the Construction Monitoring Team prior to initial operation of the plant after consultation with the Mecca Fire District.
- 4.3 The cooperative agreement with the Mecca Fire District shall permit periodic and unannounced inspection of the plant, its chemical storage, and storage and fuel handling operations by the Mecca Fire District inspectors.
- 4.4 A field noise study shall be conducted by a qualified acoustical engineer on the Construction Monitoring Team and noise levels shall be approved or further mitigation measures recommended and incorporated prior to initial operation of the project.

5.0 Worker Health and Safety

- 5.1 A soil study shall be completed by a qualified soils engineer, part of the Construction Monitoring Team, prior to construction of foundations. Construction shall be completed in accordance with the recommendation of this study.
- 5.2 Qualified building, electrical, seismic and safety inspectors, part of the Construction Monitoring Team, shall approve plans prior to construction, monitor ongoing construction, and certify completed construction as appropriate.

6.0 Air Quality

- 6.1 The EPA PSD permit contains conditions relating to reporting requirements. Colmac shall comply with these monitoring requirements. Compliance with these conditions is required by conditions of BIA lease approval as well as by EPA. Either agency can enforce these conditions. EPA and BIA may subsequently develop an agreement with the South Coast Air Quality Management District to conduct an emission monitoring and inspection program. If this takes place, Colmac will additionally be required to comply with monitoring requirements set by any such agreement.

Permit Conditions

I. Permit Expiration

This Approval to Construct/Modify shall become invalid (1) if construction is not commenced (as defined in 40 CFR 52.21(b)(8)) within 18 months after the approval takes effect, (2) if construction is discontinued for a period of 18 months or more, or (3) if construction is not completed within a reasonable time.

II. Notification of Commencement of Construction and Startup

The Regional Administrator shall be notified in writing of the anticipated date of initial start-up (as defined in 40 CFR 60.2(o)) of each facility of the source not more than sixty (60) days nor less than thirty (30) days prior to such date and shall be notified in writing of the actual date of commencement of construction and start-up within fifteen (15) days after such date.

III. Facilities Operation

All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of this Approval to Construct/Modify shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions.

IV. Malfunction

The Regional Administrator shall be notified by telephone within 48 hours following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section IX of these conditions. In addition, the Regional Administrator shall be notified in writing within fifteen (15) days of any such failure. This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section IX of these conditions, and the methods utilized to restore normal operations. Compliance with this malfunction notification provision shall not excuse or otherwise constitute a defense to any violations of this permit or of any law or regulations which such malfunction may cause.

V. Right to Entry

The Regional Administrator, the Superintendent of the Southern California Agency of the Bureau of Indian Affairs, and/or their authorized representatives, upon the presentation of credentials, shall be permitted:

- A. to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of this Approval to Construct/Modify; and
- B. at reasonable times to have access to and copy any records required to be kept under the terms and conditions of this Approval to Construct/Modify; and
- C. to inspect any equipment, operation, or method required in this Approval to Construct/Modify; and
- D. to sample emissions from the source.

VI. Transfer of Ownership

In the event of any changes in control or ownership of facilities to be constructed or modified, this Approval to Construct/Modify and all conditions contained herein shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of this Approval to Construct/Modify and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency.

VII. Severability

The provisions of this Approval to Construct/Modify are severable, and, if any provision of this Approval to Construct/Modify is held invalid, the remainder of this Approval to Construct/Modify shall not be affected thereby.

VIII. Other Applicable Regulations

The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60 and 61 and all other applicable Federal, State and local air quality regulations.

IX.

Special Conditions

A.

Certification

Colmac Energy, Inc. shall notify the EPA in writing of compliance with Special Conditions IX.B. and IX.J. and shall make such notification within fifteen (15) days of start of such compliance. This letter must be signed by a responsible representative of Colmac Energy, Inc.

B. Air Pollution Control Equipment

Colmac Energy, Inc. shall install, continuously operate and maintain the following air pollution controls to minimize emissions. Controls listed shall be fully operational upon startup of the proposed equipment.

1. Each boiler will exhaust to a fabric baghouse, using PTFE or teflon-laminated bags, for the control of particulate emissions (TSP).
2. Each boiler shall be equipped with a limestone injection system for the control of SO₂ and acid gas emissions (H₂SO₄).
3. Each boiler shall be equipped with an ammonia injection system for the control of NO_x emissions.
4. The baled fuel cyclone shall be equipped with a fabric filter for control of particulate emissions.
5. The onsite fuel hog shall be wind enclosed for the control of particulate emissions.
6. The ash handling system shall be completely enclosed, and the ash storage silo equipped with a fabric filter, for the control of particulate emissions. Transfer of ash to a disposal truck shall be enclosed.
7. The cooling towers shall have drift controls installed to limit drift losses to 0.001 percent of the circulating water mass for the control of particulate emissions.

C. Performance Tests

P.C.

1.

Within 60 days of achieving the maximum production rate of the proposed equipment but not later than 180 days after initial startup of the equipment as defined in 40 CFR 60.2(o), and at such other times as specified by the EPA, Colmac Energy, Inc. shall conduct performance tests for NO_x, SO₂, TSP and CO

and furnish the EPA (Attn: A-3-3) a written report of the results of such tests. The tests for NO_x, SO₂, TSP and CO shall be conducted on an annual basis and at the maximum operating capacity of the facilities being tested. Upon written request (Attn: A-3-3) from Colmac Energy, Inc., EPA may approve the conducting of performance tests at a lower specified production rate. After initial performance tests and upon written request and adequate justification from Colmac Energy, Inc., EPA may waive a specified annual test for the biomass-fired facility.

2. Performance tests for the emissions of SO₂, TSP, NO_x, and CO shall be conducted and the results reported in accordance with the test methods set forth in 40 CFR 60, Part 60.8 and Appendix A. The following test methods shall be used:

- a. Performance tests for the emissions of SO₂ shall be conducted using EPA Methods 1-4 and 8.
- b. Performance tests for the emissions of TSP shall be conducted using EPA Methods 1-4 and 5.
- c. Performance tests for the emissions of CO shall be conducted using EPA Methods 1-4 and 10.
- d. Performance tests for the emissions of NO_x shall be conducted using EPA Methods 1-4 and 7.

Notify
The EPA (Attn: A-3-3) shall be notified in writing at least 30 days prior to such tests to allow time for the development of an approvable performance test plan and to arrange for an observer to be present at the test.

Such prior approval shall minimize the possibility of EPA rejection of test results for procedural deficiencies. In lieu of the above-mentioned test methods, equivalent methods may be used with prior written approval from the EPA.

3. For performance test purposes, sampling ports, platforms and access shall be provided by the Colmac Energy, Inc. on the boiler exhaust systems in accordance with 40 CFR 60.8(e).
4. Concurrent with the above described performance tests, measurements shall be made of emissions of polycyclic aromatic hydrocarbons (including benzo(a)pyrene), dioxins and furans, and metals. Such measurements shall be in accordance with methods established by the California Air Resources Board.

D. Operating Limitations

1. Only natural gas, propane, or other such gas may be fired by the auxiliary burners.
2. Treated wood or wood wastes, coal or coal byproducts, and municipal solid waste other than wood waste shall not be used as a fuel by this facility.
3. Periodic fuel sampling shall be done to ensure compliance of fuel with permit conditions.
4. The annual input of biomass fuel (agricultural wastes, commercial woodwastes, straw, bermuda grass, asparagus ferns, orchard prunings) to the two (2) boilers shall not exceed 400,000 "wet" tons.
5. Colmac Energy, Inc. shall record and maintain daily records of the amounts and types of biomass fuel fired each calendar quarter, the amount of natural gas fired each calendar quarter, and the plant hours of operation. All information shall be recorded in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, calculation and record.
6. When wind speeds exceed 12 mph, Colmac Energy, Inc. shall control particulate emissions from the fuel storage pile through the use of regular watering.

E. Emission Limits for SO₂

On and after the date of startup, Colmac Energy, Inc. shall not discharge or cause the discharge into the atmosphere SO₂ in excess of the more stringent of 12.0 lbs/hr. per boiler or 20 ppm, dry, corrected to 12% CO₂ (3-hour average).

EPA may set a new lower allowable emission rate for the above emission limits after reviewing the performance test results or the initial SO₂ monitoring data required under Special Conditions C and J.

Upon completion of the performance test required under Special Condition IX.C., Colmac Energy, Inc., may request that the above emissions limitations be reduced to more closely reflect actual boiler performance. In such event, the new lower limitations shall form the basis of the emission offset requirements contained in Special Condition IX.L.6.

If the SO₂ emission limit is revised, the difference between the SO₂ emission limit set forth above and a revised lower SO₂ emission limit shall not be allowed as an emission offset for future construction or modification.

F. Emission Limits for TSP

On and after the date of startup, Colmac Energy, Inc. shall not discharge or cause the discharge of TSP in excess of the more stringent of 0.010 gr/dscf at 12% CO₂ or 7.5 lbs/hr per boiler (3-hour average).

On and after the date of startup, Colmac Energy, Inc. shall not discharge or cause the discharge into the atmosphere from the boiler exhaust stack gases which exhibit an opacity of 10 percent or greater for any period or periods aggregating more than three minutes in any one hour.

Upon completion of the performance test required under Special Condition IX.C., Colmac Energy, Inc., may request that the above emissions limitations be reduced to more closely reflect actual boiler performance. In such event, the new lower limitations shall form the basis of the emission offset requirements contained in Special Condition IX.L.6.

G. Emission Limits for CO

On and after the date of startup, Colmac Energy, Inc. shall not discharge or cause the discharge of CO in excess of the more stringent of 45.0 lb/hr per boiler or 173 ppm, dry, corrected to 12% CO₂ (3-hour average).

Upon completion of the performance test required under Special Condition IX.C., Colmac Energy, Inc. may request that the above emissions limitations be reduced to more closely reflect actual boiler performance. In such event, the new lower limitations shall form the basis of the emission offset requirements contained in Special Condition IX.L.6.

H. Emission Limits for NO_x

On and after the date of startup, Colmac Energy, Inc. shall not discharge or cause the discharge of NO_x in excess of the more stringent of 30.0 lbs/hr per boiler or 70 ppm, dry, corrected to 12% CO₂ (3-hour average).

Subsequent to initial full scale operation, Colmac shall conduct an optimization study of the ammonia injection system. The study shall consist of varying the ammonia injection rate to determine the optimal NO_x removal efficiency over an acceptable ammonia slip range of values. Upon completion of the study the EPA may set a new NO_x emission rate and/or a new ammonia injection rate.

Upon completion of the performance test required under Special Condition IX.C., Colmac Energy, Inc. may request that the above emissions limitations be reduced to more closely reflect actual boiler performance. In such event, the new lower limitations shall form the basis of the emission offset requirements contained in Special Condition IX.L.6.

I. Emission Limit for Hydrocarbons

On and after the date of startup, Colmac Energy, Inc. shall not discharge or cause the discharge of hydrocarbons in excess of 10.0 lbs/hr per boiler (3-hour average).

Upon completion of the performance test required under Special Condition IX.C., Colmac Energy, Inc., may request that the above emissions limitations be reduced to more closely reflect actual boiler performance. In such event, the new lower limitations shall form the basis of the emission offset requirements contained in Special Condition IX.L.6.

J. Continuous Emission Monitoring

1. Prior to the date of startup and thereafter, Colmac Energy, Inc. shall install, maintain and operate the following continuous monitoring systems in the boiler exhaust stack:
 - a. Continuous monitoring systems to measure stack gas SO_2 , CO and NO_x concentrations. The system shall meet EPA monitoring performance specifications (40 CFR 60.13 and 40 CFR 60, Appendix B, Performance Specifications 2, 3 and 4).
 - b. A continuous monitoring system to measure stack gas volumetric flow rates. The system shall meet EPA performance specifications (40 CFR Part 52, Appendix E).
 - c. A transmissometer system for continuous measurement of the stack gas opacity. The system shall meet EPA monitoring performance specifications (40 CFR Part 60.13 and 40 CFR Part 60, Appendix B, Performance Specification 1).
2. Colmac Energy, Inc. shall maintain a file of all measurements, including continuous monitoring systems evaluations; all continuous monitoring systems or monitoring device calibration checks; adjustments and maintenance performed on these systems or devices; performance and all other information required by 40 CFR 60 recorded in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, maintenance, reports and records.
3. Colmac Energy, Inc. shall notify EPA (Attn: A-3-3) of the date which demonstration of the continuous monitoring system performance commences (40 CFR 60.13(c)). This date shall be no later than 60 days after startup.

4. Colmac Energy, Inc. shall submit a written report of all excess emissions to EPA (Attn: A-3-3) for every calendar quarter. The report shall include the following:

- a. The magnitude of excess emissions computed in accordance with 40 CFR 60.13(h), any conversion factors used, and the date and time of commencement and completion of each time period of excess emissions.
 - b. Specific identification of each period of excess emissions that occurs during startups, shutdowns, and malfunctions of the furnace/boiler system. The nature and cause of any malfunction (if known) and the corrective action taken or preventive measures adopted shall also be reported.
 - c. The date and time identifying each period during which the continuous monitoring system was inoperative except for zero and span checks, and the nature of the system repairs or adjustments.
 - d. When no excess emissions have occurred or the continuous monitoring system has not been inoperative, repaired, or adjusted, such information shall be stated in the report.
 - e. Excess emissions shall be defined as any 3-hour period during which the average emissions of SO₂, NO_x, or CO, as measured by the CEM, exceeds the maximum emission limits set forth in Conditions IX.E, IX.G, and IX.H above. Excess emissions shall also be defined as any period or periods aggregating more than three minutes in any one hour during which the stack gas opacity as measured by the CEM exceeds the limit set forth in Condition IX.F above.
5. Excess emissions indicated by the CEM system shall be considered violations of the applicable emission limit for the purposes of this permit.
6. Not less than 90 days prior to the date of startup of the facility, Colmac Energy, Inc. shall submit to the EPA (Attn: A-3-3) a quality assurance project plan for the certification and operation of the continuous emission monitors. Such a plan shall conform to the EPA document "Guidelines for Developing a Quality Assurance Project Plan" (QAMS 005/80). Continuous emission monitoring may not begin until the QA project plan has been approved by EPA Region 9.

K. New Source Performance Standards

The proposed biomass-fired facility is subject to the Standards of Performance for New Stationary Sources (NSPS) 40 CFR 60, Subparts A, Db and E, including all emissions limits and all notification, testing, monitoring, and reporting requirements.

L. Emission Offset Conditions

1. Colmac Energy, Inc. shall provide offsets for all emissions from the facility.
2. Proper evaluation, calculation, and recordkeeping of the emission credits is the responsibility of Colmac.
3. Colmac shall submit to the BIA and EPA (Attn: A-3-3), upon request, written agreements between Colmac and the supplier of the agricultural/forest wastes, which specify type and quantity of wastes supplied.
4. Colmac shall require and maintain fuel receipts, scale records, and bills of lading for transportation of all forest/agricultural wastes for which offset credit is claimed.
5. The BIA and EPA may inspect fuel receipts and other information necessary to verify that fuel burned at the facility is of adequate quantity and quality to ensure that any credits issued under this condition are in fact being achieved.
6. Onsite emissions from the Colmac plant including maximum permitted facility stack emissions as specified in Conditions IX.E, IX.F, IX.G, IX.H, and IX.I shall be offset in accordance with the ARB/CAPCOA procedure for calculating offsets. The emission offset credit shall be calculated using the ARB/CAPCOA recommended procedure, dated June 21, 1984 ("A Procedure to Implement the Provisions of Health and Safety Code Section 41605.5 Relating to the Determination of Agricultural/Forestry Emission Offset Credits").

7. The emission factors to be used in quantifying the credits granted pursuant to this condition are:

LBS OF POLLUTANT/TON OF FUEL BURNED

Pollutant	Field Crop			Forest Residue
	Orchard	Straws	Vine Crops	
NO _x	4	4.3	4	4
VOC	8	13.0	5	19
PM	6	22.0	5	17
CO	52	130.0	51	140
SO ₂	0.6	2.8	0.6	0.1

8. The applicant shall maintain records of fuel acquired and the mass of fuel burned on a daily basis, including records of fuel blend ratios. In addition, daily records are required of mass, type, and geographic origin of the biomass received, accompanied by certification by the fuel supplier and the owner or operator that any offset-creditable biomass historically has been burned openly in the air basin.

Certification by the owner or operator is required, that all biomass fuel acquired will be burned in the biomass boilers if that fuel has been assigned an emission offset credit in accordance with the conditions of this permit.

9. Emission credits (offsets) shall be provided for the project's emissions in accordance with the ARB/CAPCOA protocol.

10. Any time during which the project's permitted combustion emissions exceed the emissions offset credits as specified in the permit because of a change in the quality or quantity of the wastes supplied, the project owner or operator shall notify the BIA and EPA (Attn: A-3-3) and curtail operations proportionately. Failure to comply with this provision shall be grounds for enforcement actions and revocation of the lease by BIA.

11. All of the above information shall be recorded in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, calculation and record.

12.

Each Calendar quarter Colmac Energy, Inc. shall submit all of the above information for the last calendar quarter to EPA (Attn: A-3-3).

M. Offsets During Startup

Colmac shall provide offsets, as required by Condition IX.L.6., during plant startup for any day during startup (startup is the period after initial firing of the boiler or boilers until the plant has operated at 100-percent power for a period of at least 72 hours, and the performance (source) tests for emission measurement have been completed) in which boiler operation takes place. Offsets shall be provided based on the permitted emission rates specified in subsections IX. E, F, G, H and I above, and the BTU's in the fuel combusted that day.

X. Agency Notifications

All correspondence as required by this Approval to Construct/Modify shall be forwarded to:

- A. Director, Air Management Division (Attn: A-3-3)
U.S. Environmental Protection Agency
215 Fremont Street
San Francisco, CA 94105
- B. Chief, Stationary Source Division
California Air Resources Board
P.O. Box 2815
Sacramento, CA 95814
- C. Air Pollution Control Officer
South Coast Air Quality Management District
9150 Flair Drive
El Monte, CA 91731